

Colorado Tax Profile & Expenditure Report 2012

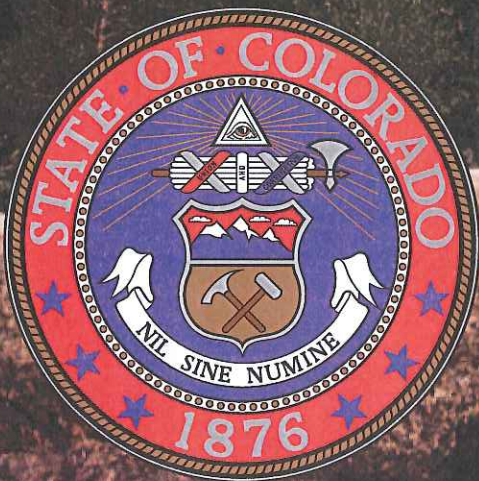


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Colorado Expenditure Study



Prepared By
Colorado Department of Revenue
Office of Research and Analysis

Introduction

This is the first in the series of Colorado Tax Expenditure studies, published in conformance with 39-21-303, C.R.S. This statutory provision was enacted in 2011 during the sixty-eighth Colorado General Assembly. The Colorado Department of Revenue is required to prepare, every odd-numbered year, a tax profile and expenditure report for the state. This report is to include information identifying and describing tax expenditures administered by the Department, estimates of the identified tax expenditures, the Colorado Tax Profile Study (CTPS), and the Colorado Statistics of Income (SOI) reports. The CTPS model was developed to assess the burden of state and local taxes on Colorado households. In particular, the study estimates and examines the amount of taxes paid by households at different income levels. The study does not attempt to examine how Colorado's state and local tax structure affects households' economic situation. Nor does it attempt to assess the impact of taxes or tax credits on work incentives, economic growth, or their effects on particular industries in the state. The SOI reports document Colorado income data by income tax year for individuals and corporations. The tables categorize households and corporations by income class and report on a variety of income information available from state and federal income tax returns.

In Colorado it is the responsibility of the Joint Budget Committee of the General Assembly to write the annual appropriations bill - called the Long Bill. This bill sets the budget for the following fiscal year for the state. The expenditures in the Long Bill are considered direct expenditures and these budgetary decisions fund the policy goals of the General Assembly. Tax expenditures are considered another form of spending. In statute the General Assembly has defined a tax expenditure as a "tax provision that provides a gross or taxable income definition, deduction, exemption, credit, or rate for certain persons, types of income, transactions, or property that results in reduced tax revenue". Similar to direct expenditures, tax expenditures also promote the policy goals of the General Assembly by providing favorable

tax conditions for certain activities considered beneficial to the state and its residents.

The analysis and data presented in this study cover the most recently completed tax or calendar year for which such information is available. In particular, this study includes income tax data from tax year 2009, as it is the most current income data available for analysis. The time period for which the latest data is available for all other tax expenditure estimates is calendar year 2011. Although this study will present the latest data available, 2009 data will be used for purposes of tabulating a grand total of annual tax expenditures.

The total includes a mixture of actual data and estimates, and does not include amounts for some provisions. Actual data from Colorado returns were used to determine the revenue impact of fuel, cigarette and tobacco, income and severance tax deductions and credits, to the extent the information was available from the forms. However, retailers are not required to provide the level of information on sales tax returns necessary to report the impact of the numerous exemptions and deductions. In the case of sales tax exemptions, various sources of data at the state and national level including census and other industry-related reports were used to develop an estimate of the exemption or deduction.

Even though an attempt has been made to develop the best estimates of the impact of the tax expenditures specified in this report, the applicability of the source of the data used to develop the estimate to the particular tax expenditure can result in a wide range of certainty for the various estimates. In some cases not enough data is available to determine the impact of an exemption, taxable definition, or deduction.

It should also be noted that the elimination of certain tax expenditures may not result in an increase in revenues equal to the reported amounts because the resulting collection of revenues is dependent on several factors including enforcement, compliance, the ability of taxpayers to change their behavior, vendor discounts, and the

specific statutory language used to eliminate the expenditure. These factors, along with potentially other methodologies to develop an estimate of the expenditure would be considered by Legislative Council staff in determining the fiscal impact of bill proposals to modify or eliminate a provision that results in a tax expenditure.

The information presented in this report describing the various tax expenditures is only meant to help the reader understand the nature of the tax expenditure. Actual taxability is determined by statutory language and regulations. The reader is advised to use the Department's online tax library to answer questions regarding taxability.

In December 2012, the Department of Revenue completed the migration of accounting functions from its legacy mainframe-based system to the server-based Colorado Integrated Tax Architecture (CITA). This new system and the widespread adoption of electronic filing has allowed for the data capture of more detailed information from tax returns. The increase in the amount of information available, specifically with regard to income tax credits and deductions and alcohol excise tax exemptions, will be reflected in the next report in this series.

Expenditure Number	Statute Citation	Year Enacted	Tax Expenditure Description	2009 Revenue Impact	2011 Revenue Impact	Comments
Alcohol and Fermented Malt Beverages Taxes						
1.01	§12-47-503(9)(b)	1981	Sales exempt by federal law	1/	1/	
1.02	§12-47-106(1)	1935	Sales of sacramental wines	2/	2/	
1.03	§12-47-106(4)	1977	Limited amounts brought in by air from a foreign country	1/	1/	
1.04	§12-47-106(5)	2008	Products used in enology research by a state institution of higher education	2/	2/	
1/ Not available but will be for the 2013 report. 2/ Not available but likely minimal						
Cigarette and Tobacco Products Excise Taxes						
2.01	§39-28-104(1)(a)	1973	Vendor discount on cigarette sales	\$1,729,000	\$1,650,000	
2.02	§39-28-104(4)	2004	Bad debt allowance on cigarettes	\$0	\$0	
2.03	§39-28-111	1964	Export sales and sales to the United States government	\$1,898,000	\$2,113,000	
2.04	§39-28.5-103	1986	Sales exempt under United States law	\$300,000	\$334,000	
2.05	§39-28.5-106(2)	1986	Vendor discount on tobacco products sales	\$333,000	\$355,000	
2.06	§39-28.5-107(2)	2004	Bad debt allowance on tobacco products sales	\$0	\$0	
			Total	\$4,260,000	\$4,452,000	
Fuel Excise Taxes						
3.01	§39-27-102(1)(b)	1933	Two percent allowance	\$11,324,000	\$11,521,000	
3.02	§39-27-102.5	1979	Dyed diesel fuel	\$41,001,000	\$42,233,000	
3.03	§39-27-103(2)	1933	Government agencies fuel tax exemption	\$6,974,000	\$6,821,000	
3.04	§39-27-103(3)(a)	1933	Gasoline and special fuel tax exemptions	\$7,683,000	\$10,948,000	
3.05	§39-27-103(3)(a)(I)(D),(F),(H)	2002	Aviation fuel exemptions	\$219,000	\$114,000	
3.06	§39-27-105(2)	1969	Bad debt allowance/expense of collection	\$2,760,000	\$2,844,000	
			Total	\$69,961,000	\$74,481,000	
Income Tax Credits						
4.01	§39-22-105	1987	Colorado minimum tax credit	1/		
4.02	§39-22-108	1937	Credit for income tax paid to another state	\$172,016,000		
4.03	§39-22-108.5	2006	Dual resident trust credit	1/		
4.04	§39-22-114.5	1989	Plastic recycling investment credit	1/		
4.05	§39-22-119	1996	Colorado child care credit	\$3,423,000		includes credit taken by part-year and nonresidents

4.06	§39-22-121	1998	Child care contribution credit	\$2,443,000		
4.07	§39-22-122	1999	Long term care insurance	1/		
4.08	§39-22-301(3)(b)	1982	Crop and livestock contribution credit	2/		
4.09	§39-22-507.5	1979	Old investment tax credit	2/		
4.10	§39-22-507.6	1987	New investment tax credit	\$454,000		
4.11	§39-22-514	1990	Historic property preservation credit	2/		
4.12	§39-22-516(2.5)	1992	Alternative fuel vehicle credit	2/		
4.13	§39-22-516(2.6)	2010	Innovative motor vehicle credit	N/A		
4.14	§39-22-516(2.7)	1992	Alternative fuel refueling facility credit	2/		
4.15	§39-22-517(1)	1992	Child care investment credit	2/		
4.16	§39-22-517(2)	1992	Employer child care facility investment credit	2/		
4.17	§39-22-520(2)	1997	School-to-career investment credit	2/		
4.18	§39-22-521(1)	1997	Colorado works program credit	2/		
4.19	§39-22-522	1999	Gross conservation easement credit	2/		
4.20	§39-22-526	2000	Contaminated land redevelopment credit	2/		
4.21	§39-22-530	2008	Developmental disability employee credit	N/A		
4.22	§39-22-531	2009	Job growth incentive tax credit	1/		
4.23	§39-22-532	2009	Innovation investment tax credit	N/A		
4.24	§39-22-533	2009	Instream flow incentive tax credit	N/A		
4.25	§39-22-2102	2000	Low-income housing credit	2/		
4.26	§39-30-103.5	1989	Contribution to enterprise zone administrator credit	\$417,000		
4.27	§39-30-104(1)(a)	1986	Enterprise zone investment tax credit	\$8,713,000		
4.28	§39-30-104(1)(b)	2010	Commercial vehicle enterprise zone investment tax credit	N/A		
4.29	§39-30-104(4)	1996	Enterprise zone job training credit	\$694,000		
4.30	§39-30-105(1)(a)(I)	1986	Enterprise zone new business facility employee credit	\$1,406,000		
4.31	§39-30-105(1)(a)(III)	2002	Enhanced rural enterprise zone new business facility employee credit	3/		
4.32	§39-30-105(1)(b)	1987	Enterprise zone employee health insurance credit	3/		
4.33	§39-30-105(3)(a)	1987	Enterprise zone agricultural employee processing credit	3/		
4.34	§39-30-105(3)(b)	2002	Enhanced rural enterprise zone agricultural employee processing credit	3/		

4.35	§39-30-105.5	1988	Enterprise zone research and experimental credit	4/		
4.36	§39-30-105.6	1989	Enterprise zone vacant commercial building rehabilitation credit	4/		
4.37	§39-35-104	2005	Aircraft manufacturer new employee credit	2/		
			Total	\$189,566,000		

1/ Combined with credit 4.02 and includes part-year and nonresident credits

2/ Combined with credit 4.06

3/ Combined with credit 4.30

4/ Combined with credit 4.29

Income Tax Deductions

5.01	§39-22-104(4)(a)	1964	United States government interest	\$7,597,000		
5.02	§39-22-104(4)(c)	1982	PERA contribution made in 1984-1986/DPSRS contributions made in 1986	\$7,668,000		
5.03	§39-22-104(4)(c)	1982	Repayment subtraction	1/		
5.04	§39-22-104(4)(e)	1964	State income tax refund (individual income)	\$24,222,000		
5.05	§39-22-104(4)(f)	1982	Pension or annuity subtraction, taxpayer and spouse	\$312,896,000		
5.06	§39-22-104(4)(h)	1994	Medical savings employer contribution	1/		
5.07	§39-22-104(4)(i)	1997	Tuition program contribution	\$9,102,000		
5.08	§39-22-104(4)(m)	2000	Qualifying charitable contribution	\$7,767,000		
5.09	§39-22-104(4)(n)	2008	Wildfire mitigation measures	1/		
5.10	§39-22-104.5	1994	Catastrophic health insurance	1/		
5.11	§39-22-112(1)	1937	Insurance companies subject to a gross premiums levy	1/		
5.12	§39-22-112(1)	1937	Non-profit corporations that file federal form 990	1/		
5.13	§39-22-202	1937	Partnership modification	2/		
5.14	§39-22-206	1993	Foreign source income of export taxpayers	2/		
5.15	§39-22-303(10)	1985	Excludable foreign source income	\$64,983,000		
5.16	§39-22-304(3)(a) & (b)	1964	Exempt federal interest	3/		
5.17	§39-22-304(3)(c)	1964	Income from the disposition of assets acquired prior to January 1, 1978, that has a higher Colorado basis than federal basis	3/		
5.18	§39-22-304(3)(d)	1977	Gain from a qualified sale under threat of condemnation	3/		
5.19	§39-22-304(3)(e)	1964	Previously taxed income or gain	3/		
5.20	§39-22-304(3)(f)	1964	State income tax refund (corporate income)	3/		

5.21	§39-22-304(3)(g), §39-22-504	1964	Colorado net operating loss	\$45,952,000		
5.22	§39-22-304(3)(h)	1964	Excess oil shale depletion	3/		
5.23	§39-22-304(3)(i)	1979	Wages and salaries not deducted on federal return due to IRC Section 280C	3/		
5.24	§39-22-304(3)(j)	1978	Gross-up provisions of section 78 of the Internal Revenue Code	3/		
5.25	§39-22-402	1964	Fiduciary subtraction/ Fiduciary or partnership modification	2/		
5.26	§39-22-504.7(2)(e)	1994	Medical savings account contributions	1/		
5.27	§39-22-509	1979	Ride-sharing or mass transit expenses	1/		
5.28	§39-22-518	1994	Colorado source capital gain	\$14,373,000		
			Total	\$494,560,000		

1/ Combined with credit 5.02

2/ Not available

3/ Combined with credit 5.15

Sales and Use Tax Exemptions 1/

6.01	§39-26-102(10)(f)	1977	Transfers of assets	2/	2/	
6.02	§39-26-102(15)	1943	Newspapers	\$5,785,000	\$5,918,000	
6.03	§39-26-102(15)	1985	Preprinted newspaper supplements	\$335,000	\$372,000	
6.04	§39-26-102(15)	1990	Direct mail advertising materials	\$1,430,000	N/A	Repealed in 2010
6.05	§39-26-102(19)	1992	Materials used in the printing process	\$7,000	\$6,000	
6.06	§39-26-102(20)(a)	1935	Ingredients and component parts	\$519,298,000	\$601,482,000	
6.07	§39-26-102(20)(b)	1982	Ingredients and component parts, food manufacturing	\$7,899,000	\$9,252,000	
6.08	§39-26-102(21)	1937	Energy used for industrial, manufacturing, and similar purposes	\$14,985,000	N/A	Temporary repeal in effect for 2011
6.09	§39-26-102(21)	1982	Gas and electric services when deemed a wholesale sale	2/	2/	
6.10	§39-26-102(21)	1943	Printers ink and newsprint	\$1,266,000	\$1,344,000	
6.11	§39-26-104(1)(c)(l)	2002	Interstate telephone services	2/	2/	
6.12	§39-26-113(5)(a)	1977	Sales of motor vehicles for use by nonresidents outside Colorado	\$2,312,000	\$2,477,000	
6.13	§39-26-113.5	2009	Sales tax refund for commercial vehicles used in interstate commerce	N/A	\$9,000	
6.14	§39-26-202(1)(c)	1996	Wireless telecommunications equipment	\$1,601,000	\$1,490,000	
6.15	§39-26-402(1)	1999	Biotechnology equipment	\$629,000	\$637,000	
6.16	§39-26-403	2009	Clean technology and medical devices	3/	3/	

6.17	§39-26-704(1)	1937	Sales to governmental entities	\$123,436,000	\$130,384,000	
6.18	§39-26-704(2)	1963	Sales to residents of bordering states that do not impose a sales tax	2/	2/	
6.19	§39-26-704(3)	1959	Lodging for permanent residents	\$180,000	\$185,000	
6.20	§39-26-704(4)	1969	Sales to public schools	\$25,274,000	\$26,697,000	
6.21	§39-26-706(2)(a)	1998	Internet access service	\$7,056,000	\$7,034,000	
6.22	§39-26-706(3)	1982	Certain materials used in the manufacturing or processing of iron, steel, and uranium-vanadium ores	\$7,000	\$8,000	
6.23	§39-26-706(4)	1999	Coins and precious metal bullion	\$687,000	\$1,159,000	
6.24	§39-26-707(1)(a)	1987	Food purchased with food stamps	\$17,260,000	\$22,784,000	
6.25	§39-26-707(1)(b)	1987	Food purchased with funds from the supplemental food program for women, infants, and children (WIC)	\$1,207,000	\$1,475,000	
6.26	§39-26-707(1)(c) & (d)	1978	Sales of certain items provided with food and beverage items	\$2,028,000	N/A	Repealed in 2010
6.27	§39-26-707(1)(e)	1979	Food for home consumption	\$227,355,000	\$224,870,000	Candy and soft drinks exemption repealed in 2010
6.28	§39-26-707(2)(a)	1978	Food service employer-provided meals	\$214,000	\$445,000	
6.29	§39-26-708(1)	1979	Construction and building materials used by contractors on public works projects, tax-exempt organizations, and public schools	\$69,704,000	\$74,088,000	
6.30	§39-26-709(1)(a)(II)	1979	Machinery or machine tools used in manufacturing process	\$53,673,000	\$54,245,000	
6.31	§39-26-710(1)(a)	1977	Construction materials for use by a common carrier by rail	\$1,238,000	\$1,273,000	
6.32	§39-26-710(1)(b) & (c)	1992	Railroad capital equipment	4/	4/	
6.33	§39-26-711(1)(a)	1984	Aircraft used in interstate commerce by commercial airlines	5/	5/	
6.34	§39-26-711(1)(b)	1991	Aircraft component parts used in interstate commerce by commercial airlines	\$630,000	\$641,000	
6.35	§39-26-711.5 (1)	2008	New or used aircraft to a non resident	\$591,000	\$286,000	
6.36	§39-26-712(1)(a) & (b)	1976	Commercial trucks and trailers licensed out-of-state	\$5,702,000	\$5,992,000	
6.37	§39-26-713(1)(b)	1978	Complimentary marketing property to out-of-state vendors	\$73,000	\$73,000	
6.38	§39-26-713(1)(c)	1977	Testing property used for short-term out-of-state testing	2/	2/	

6.39	§39-26-713(1)(d)	1998	Donations of component parts to tax-exempt organizations	< 500,000 5/	< 500,000 5/	
6.40	§39-26-714(1)	1986	Certain personal property sold through vending machines	2/	2/	
6.41	§39-26-714(2)	1999	Food sold through vending machines	\$9,993,000	\$10,413,000	
6.42	§39-26-715(1)(a)(I)	1935	Gasoline and special fuel	\$181,780,000	\$276,632,000	
6.43	§39-26-715(1)(a)(II)	1979	Fuel for residential heat, light, and power	\$91,214,000	\$99,717,000	
6.44	§39-26-716(2)(a)	1977	Special fuel for farm vehicles	\$3,250,000	\$4,946,000	
6.45	§39-26-716(2)(b) & (3)(b)	1999	Farm equipment	\$5,672,000	\$5,949,000	
6.46	§39-26-716(2)(b) & (3)(b)	2000	Farm parts used in the repair or maintenance of farm equipment	4/	4/	
6.47	§39-26-716(2)(b) & (3)(b)	2001	Dairy equipment	\$70,000	\$74,000	
6.48	§39-26-716(2)(d)	1999	Agricultural compounds and bull semen	\$1,593,000	\$838,000	Exemption in effect July - December 2011
6.49	§39-26-716(2)(e)	1999	Pesticides	\$3,115,000	\$1,420,000	Exemption in effect July - December 2011
6.50	§39-26-716(3)(a) & (4)(a)	1943	Certain livestock	\$154,896,000	\$223,583,000	
6.51	§39-26-716(4)(a)	1945	Farm auction close-out sales	5/	5/	
6.52	§39-26-716(4)(a)	1970	Fish for stocking	\$57,000	\$64,000	
6.53	§39-26-716(4)(b)	1943	Feed for livestock, seeds, and orchard trees	\$47,136,000	\$58,612,000	
6.54	§39-26-716(4)(c)	1961	Straw for livestock and poultry bedding	4/	4/	
6.55	§39-26-717(1)(a)	1965	Prescription drugs	\$49,127,000	\$53,389,000	
6.56	§39-26-717(1)(b)	1977	Insulin	\$1,267,000	\$1,377,000	
6.57	§39-26-717(1)(c)	1979	Glucose for treatment of insulin reactions and insulin measuring and injecting devices	\$881,000	\$877,000	
6.58	§39-26-717(1)(d)	1979	Urine- and blood-testing kits and materials	4/	4/	
6.59	§39-26-717(1)(e)	1979	Insulin measuring and injecting devices	4/	4/	
6.60	§39-26-717(1)(f)	1965	Prosthetic devices	4/	4/	
6.61	§39-26-717(1)(g)	1979	Oxygen delivery equipment and related supplies	4/	4/	
6.62	§39-26-717(1)(h)	1979	Supplies related to incontinence, infusion, enteral nutrition, ostomy, urology, diabetic care, and wound care	4/	4/	
6.63	§39-26-717(1)(i)	1979	Equipment and accessories for sleep therapy, inhalation therapy, and electrotherapy	4/	4/	

6.64	§39-26-717(1)(j)	1979	Durable medical equipment and mobility enhancing equipment	\$11,609,000	\$11,562,000	Previously shown under §39-26-715(1)(b) and (c)
6.65	§39-26-717(1)(k)	1980	Nonprescription drugs or materials when furnished by a licensed provider as part of professional services	4/	4/	
6.66	§39-26-717(1)(l)	1980	Corrective eyeglasses, contact lenses, or hearing aids	4/	4/	
6.67	§39-26-718(1)(a)	1937	Sales to charitable organizations	\$37,269,000	\$39,367,000	
6.68	§39-26-718(1)(a)	1999	Special events sales by veterans' organizations	\$1,137,000	\$1,201,000	
6.69	§39-26-718(1)(b)	1995	Occasional sales by charitable organizations	4/	4/	
6.70	§39-26-718(1)(c)	2008	Sales by an association or organization of parents and teachers of public school students that is a charitable organization	4/	4/	
6.71	§39-26-719(1)	1999	Low-emitting vehicles	< 100, 3/	< 100, 3/	
6.72	§39-26-720(1)	2001	Bingo and raffle equipment	\$120,000	\$122,000	
6.73	§39-26-721(1)	1979	Factory built housing	\$2,734,000	\$2,693,000	
6.74	§39-26-722(1)	2007	Machinery that comprises a cleanroom	3/	3/	
6.75	§39-26-723(1)	2008	Wood from salvaged trees killed or infested in Colorado by mountain pine beetles	\$1,615,000	\$1,703,000	
6.76	§39-26-724(1)(a)	2007	Components used in the production of electricity from a renewable energy source	2/	2/	
6.77	§39-26-725(2)	2008	Sales that benefit Colorado schools	\$193,000	\$218,000	
6.78	§39-26-726	2010	Medical marijuana to indigent patients	2/	2/	
			Total	\$1,696,590,000	\$1,969,383,000	

1/ All expenditures in this category are estimates.

2/ Not available.

3/ Only available as a refund of sales tax paid if the total general fund for a particular fiscal year will be sufficient to increase the total general fund appropriations by 6% over such appropriations for the previous fiscal year.

4/ Amount combined with another exemption.

5/ Non-disclosable.

Severance Tax Exemptions, Credits, and Deductions

7.01	39-29-102(3)(a)	1985	Deduction for oil and gas transportation costs	1/	1/	
7.02	39-29-102(3)(a)	1985	Deduction for oil and gas processing and manufacturing costs	1/	1/	
7.03	39-29-102(4)(a)	1977	Oil shale equipment and machinery deduction	\$0	\$0	
7.04	39-29-102(4)(b)	1977	Oil shale fragmenting, crushing, conveying, beneficiating, pyrolysis, retorting, refining, and transporting deductions	\$0	\$0	
7.05	39-29-102(4)(c)	1977	Oil shale royalty payment deduction	\$0	\$0	

7.06	39-29-103(1)(b)	1977	Metallic minerals threshold exemption	2/	2/	
7.07	39-29-103(2)	1977	Metallic minerals tax ad valorem credit	2/	2/	
7.08	39-29-104(1)	1999	Tax exempt molybdenum tonnage	2/	2/	
7.09	39-29-105(1)(b)	1977	Deduction for oil and gas stripper well production	1/	1/	
7.10	39-29-105(2)(a)	1977	Oil and gas ad valorem credit	\$191,073,000	\$101,764,000	
7.11	39-29-106(2)(b)	1977	Tax exempt coal tonnage	\$6,756,000	\$7,375,000	
7.12	39-29-106(3)	1977	Underground coal production credit	\$5,705,000	\$6,293,000	
7.13	39-29-106(4)	1977	Lignitic coal production credit	\$0	\$0	
7.14	39-29-107(3)	1977	Oil shale tonnage/ barrels exemption	\$0	\$0	
7.15	39-29-107.5	1979	Impact assistance credit	\$0	\$0	
			Total	\$203,534,000	\$115,432,000	
1/ Not available 2/ Not disclosable						
			Grand Total	\$2,658,471,000	N/A	

Chapter 1: Alcohol and Fermented Malt Beverages Taxes

Collections and History

In fiscal year 2012, alcohol beverages tax collections were \$38.2 million. "Intoxicating liquors" were first taxed in 1935 at 3¢ per gallon on fermented malt beverages and malt liquor; 3¢ per quart on wine less than 14 percent alcohol by volume; 6¢ per quart on wine more than 14 percent alcohol by volume; and 20¢ per pint on spirits. Tax rates were increased in 1959 and again in 1976 for all types of alcohol beverages. The 1976 increase on beer was to the current rate of 8¢ per gallon. In 1981, the tax rate was increased for all strengths of wine to the current level of 7.33¢ per liter. At the same time, the tax rate for spirits was increased to the current rate of 60.26¢ per liter. In 1997, hard cider was added to the liquor code and is taxed like wine at 7.33¢ per liter. These excise taxes are imposed on distributors and manufacturers.

Tax Base

An excise tax is due on the liters or gallons of alcohol beverages that are first sold, used or consumed in Colorado. The types of alcohol beverages that are taxed include fermented malt beverages (commonly known as 3.2 beer), malt liquors (typically beer with an alcohol content greater than 3.2 percent by weight), hard cider, vinous liquors, and spirituous liquors. The tax is imposed upon manufacturers or wholesalers.

Computation of the Tax

Colorado liquor excise tax rates are as follows:

- 8¢ per gallon for fermented malt beverages
- 8¢ per gallon for malt liquors
- 8¢ per gallon for hard cider (apple and pear only)
- 7.33¢ per liter for vinous liquors
- 60.26¢ per liter for spirituous liquors

Exemptions

1.01 Sales exempt by federal law

§12-47-503(9)(b), C.R.S.
Enacted: 1981

Sales of wine and spirituous liquor to federally ceded property are exempt from state liquor excise tax.

1.02 Sales of sacramental wines

§12-47-106(1), C.R.S.
Enacted: 1935

No tax is imposed on the sale of sacramental wines used for religious purposes.

1.03 Limited amounts brought in by air from a foreign country

§12-47-106(4), C.R.S.
Enacted: 1977

Colorado law allows any passenger age 21 or older arriving at any airport in this state on an air flight originating in a foreign country to lawfully bring up to four liters of wine, beer or spirituous liquor without liability for Colorado liquor excise tax. The alcoholic beverages brought into the United States must be for personal consumption only and not for resale or other commercial purposes.

1.04 Products used in enology research by a state institution of higher education

§12-47-106(5), C.R.S.
Enacted: 2008

No tax is imposed on vinous liquor when institutions of higher education are engaged in the manufacture of vinous liquor used for the purpose of enology research and education.

Chapter 2: Cigarette and Tobacco Products Excise Taxes

Collections and History

In fiscal year 2012, cigarette tax revenues were \$172.8 million and tobacco products tax revenues were \$30.6 million. Cigarettes were subject to the state sales and use tax prior to their exemption in 1959. The cigarette excise tax was enacted in 1964 at a rate of 3¢ per pack. The tax rate was increased several times by the General Assembly. In 2004 voters passed a referendum enacting the largest increase (64¢) to the excise tax bringing the rate to 84¢ per pack. Cigarettes are temporarily subject to the state sales and use tax for the period beginning July 2009 through June 2013.

Since 1973, 27 percent of the gross proceeds from the excise tax on cigarettes have been distributed to cities and counties in the state. The remainder goes to the State General Fund. The funds are distributed to cities and towns in proportion to the amount of state sales tax collected in a jurisdiction relative to all state sales taxes collected. Funds are distributed to counties based on the percentage of state sales tax collections in the unincorporated area of the county compared to sales tax revenues statewide. The constitutional referendum increasing the excise tax on cigarettes earmarked the revenues from the tax increase; therefore, the share of cigarette excise tax distributed to cities and counties in the state is only based on the gross proceeds of 20¢ (per pack) of the cigarette excise tax.

The voter-imposed constitutional levy of an additional 64¢ per pack of cigarettes is distributed to designated health-related programs administered by the state. The objectives of these targeted programs include the following: 1) increasing the number of children and pregnant women enrolled in the children's basic health plan, adding parents of enrolled children, and expanding eligibility of low income adults and children who receive medical care through the Children's Basic Health Plan Act; 2) funding comprehensive primary care through any Colorado qualified provider that meet certain criteria, based on the proportion of uninsured or medically indigent patients served;

3) funding school and community-based and statewide tobacco education programs designed to reduce initiation of tobacco use by children and youth, promote cessation of tobacco use among youth and adults, and reduce exposure to second-hand smoke; and 4) funding the prevention, early detection, and treatment of cancer and cardiovascular and pulmonary diseases; and providing revenue for health related purposes to the state's general fund, old age pension fund, and municipal and county governments in compensation for tax revenue reductions attributable to lower cigarette and tobacco sales resulting from implementation of the additional excise tax. The revenue from the additional 20 percent tax on tobacco products that was passed by voters in 2004 are also distributed to these programs.

The tobacco products tax was enacted in 1986 at a rate of 20 percent of the manufacturer's list price, which is the invoice price paid by the distributor to a manufacturer or supplier. The rate was increased by voters an additional 20 percent in 2004 and the increase became effective in 2005. Tobacco products are subject to the general sales and use tax.

Tax Base

The cigarette tax is based on volume (42 mills per cigarette or \$0.84 per 20-pack of cigarettes), and the tobacco tax is based on the manufacturer's list price. Examples of tobacco products include chewing tobaccos, cigars, pipe tobaccos, cheroots, stogies, snuff, and plug or twist tobacco.

Computation of the Tax

The total cigarette excise tax rate is \$0.84 per 20-pack of cigarettes. The tax is paid by the distributor by purchasing stamps that are affixed to the packages.

The total of the tobacco products tax is 40 percent of the manufacturer's list price. The tax is paid by the distributor.

Exemptions

2.01 Vendor discount on cigarette sales

§39-28-104(1)(a), C.R.S.
Enacted: 1973

If payment for the stamps is made on or before the 10th day of the month following the month in which the stamp purchase is made, the .9524 percent discount of the stamps' face value is allowed. The vendor fee discount is provided to cover the licensed wholesaler's expense in the collection and remittance of the cigarette tax.

2.02 Bad debt allowance on cigarettes

§39-28-104(4), C.R.S.
Enacted: 2004

Credit shall be given by the department to a wholesaler for all taxes paid on cigarettes that are bad debts. The credit is prohibited unless the bad debt has been charged off as uncollectible on the books of the wholesaler.

2.03 Export sales and sales to the United States government

§39-28-111, C.R.S.
Enacted: 1964

The sale of cigarettes to the United States government or any of its agencies, or sales within interstate commerce are exempt from Colorado's cigarette tax.

2.04 Sales exempt under United States law

§39-28.5-103, C.R.S.
Enacted: 1986

No tax is imposed on tobacco products that are exempt under the constitution and laws of the United States.

2.05 Vendor discount on tobacco products sales

§39-28.5-106(2), C.R.S.
Enacted: 1986

The amount of tobacco products excise tax paid to the department may be reduced by 1.665 percent

of the tax due to cover the distributor's expense in the collection and remittance of the tax, if the EFT payment and return are filed by the due date.

2.06 Bad debt allowance on tobacco products sales

§39-28.5-107(2), C.R.S.
Enacted: 2004

Credit shall be given by the department to a wholesaler for all taxes paid on tobacco products that are bad debts. The credit is prohibited unless the bad debt has been charged off as uncollectible on the books of the wholesaler.

Chapter 3: Fuel Excise Taxes

Collections and History

The net revenues from the taxes on highway gasoline and special fuels were \$561 million in fiscal year 2012. All revenues from these taxes go into the Highway User Tax Fund. Colorado first imposed an excise tax on gasoline in 1919 at a rate of 1¢ per gallon. The rate has been increased over ten times (often in 1¢ increments) since its inception. The rate of 22¢ per gallon has been in effect since 1991. The tax on diesel fuel is somewhat lower than that of gasoline: it is 20.5¢ per gallon.

Tax Base

The tax base for the highway fuels excise taxes is motor fuel used in vehicles on Colorado highways. Off-road or out-of-state usage is therefore not considered a tax expenditure.

Computation of the Tax

The gasoline excise tax rate is 22¢ per gallon and is imposed on gasoline and gasohol used on Colorado highways. A rate of 20.5¢ applies to special fuels (diesel and biodiesel). Motor carriers based in states other than Colorado pay the excise tax, which is 20.5¢ per gallon for special fuel purchased in another state and used on Colorado highways.

Exemptions

3.01 Two percent allowance

§39-27-102(1)(b), C.R.S.
Enacted: 1933

The two percent allowance covers any losses in transit and in unloading the fuel and costs of collection. Out of this allowance, the licensed distributor shall make to each retailer an allowance of one percent of the amount of gasoline or special fuel delivered during each calendar month as shown by delivery invoices signed by the retailer.

3.02 Dyed diesel fuel

§39-27-102.5, C.R.S.
Enacted: 1979

Dyed diesel fuel can be sold without excise tax when the fuel will be used for exempt purposes off road such as agricultural, home heating, or commercial manufacturing.

3.03 Government agencies fuel tax exemption

§39-27-103(2), C.R.S.
Enacted: 1933

Gasoline can only be sold without excise tax to government entities. The gasoline must be requisitioned and used by the government entity and paid for with funds drawn from the government entity. Special fuel can be sold without excise tax to government entities, and the same guidelines as gasoline apply.

3.04 Gasoline and special fuel tax exemptions

§39-27-103(3)(a), C.R.S.
Enacted: 1933

A refund may be claimed for fuel tax paid on gasoline or special fuel purchased in Colorado and used for the following purposes: operating stationary engines, motor boats or motor vehicles on or over fixed rails for commercial purposes; operating tractors, trucks, or other farm implements or machinery off-road when used for agricultural purposes on farms or ranches; cleaning and

dyeing; any other use of equipment or machinery; any other use of equipment or machinery for commercial purposes off public roads.

3.05 Aviation fuel exemptions

§39-27-103(3)(a)(I)(D),(F),(H), C.R.S.
Enacted: 2002

A refund may be claimed for fuel tax paid on aviation fuels purchased in Colorado and used for the following purposes: operating a state licensed agricultural applicator aircraft from a private landing facility used solely and exclusively for agricultural applications; aircraft operated by scheduled air carriers; or commuter airlines operating flights on a regular schedule.

3.06 Bad debt allowance/expense of collection

§39-27-105(2), C.R.S.
Enacted: 1969

When reporting the acquisition of gasoline and special fuel and determining the amount of excise tax due, Colorado law provides for a one-half percent allowance of the total amount of fuel to be deducted by the licensed distributor.

Chapter 4: Income Taxes

Individual Income Taxes

Collections and History

Fiscal year 2012 net collections from the individual income tax were \$4.9 billion. The State of Colorado enacted an income tax for both individuals and corporations in 1937. Thirteen states enacted an income tax before 1929; nineteen states began taxing income between 1929 and 1937 and twelve states between 1949 and 1976. One state (Alaska) has since repealed the tax and seven states do not have an income tax. Originally, the Colorado income tax was used entirely for support of public schools in order to reduce dependence on the property tax. Two years after enactment of the tax, the General Assembly diverted 65 percent of the revenues to the State General Fund. Since

1947, all revenue from the state individual income tax goes into the State General Fund. Of course, a substantial portion of the general fund continues to be appropriated for public schools.

At enactment, a graduated rate schedule was applied to state-defined taxable income—1 percent on the first \$1,000 up to a rate of 6 percent for income over \$10,000. Although many changes were made to the individual income tax over the years, the structure of the tax remained basically the same from 1937 through 1964. In 1964, the General Assembly passed the Colorado Income Tax Act of 1964 wherein federal adjusted gross income became the automatic starting point for determination of Colorado taxable income. Specific modifications to federal adjusted gross income as well as specific Colorado exemptions were part of the new tax structure. This tax structure remained in effect until 1987 when the Colorado Income Tax Act of 1987 was enacted. Determination of state income taxes is now tied to federal taxable income with specific modifications that add back or reduce taxable income and credits that reduce income tax liabilities. In 1987, a flat rate of 5 percent was imposed. In 1999 the General Assembly reduced the tax rate to 4.75 percent and decreased it again to the current rate of 4.63 percent in 2000. All revenues accrue to the State General Fund.

Tax Base

The computation of the Colorado individual income tax starts with federal taxable income. The definition of federal taxable income in Colorado tax law references the Internal Revenue Code as of a specified date. The computation of Colorado taxable income is statutorily tied to the definition of federal taxable income, and strict TABOR directives prohibit the adoption of any tax policy change directly causing a net tax revenue gain without voter approval. If federal legislation is enacted that affects the computation of federal taxable income, the change is automatically adopted for purposes of defining Colorado taxable income. At the time of this report, Colorado law references the Internal Revenue Code of 1986, as amended. The use of federal taxable income as a starting point in computing Colorado taxable income is an implicit acceptance of the federal personal exemptions, the federal standard deduction, and federal itemized deductions. Certain components of income are

added back to, and subtracted from, the federal definition of income to derive Colorado taxable income. The following formula can be used to derive Colorado taxable income:

Federal Taxable Income

PLUS (+) Any state income tax included in federal itemized deductions

PLUS (+) Non-Colorado state and municipal bond interest

PLUS (+) Lump sum distributions from pension or profit-sharing plan not included in federal taxable income

MINUS (-) State income tax refunds included in federal taxable income

MINUS (-) Interest on obligations of the United States

MINUS (-) Previously taxed PERA or School District #1 benefits from 1984-1986

MINUS (-) Pension exclusion of up to \$20,000 if age 55-64, \$24,000 if age 65 or older

MINUS (-) Colorado source capital gain

EQUALS (=) Colorado taxable income

Computation of the Tax

A flat rate of 4.63 percent is levied against individuals' Colorado taxable income to derive their Colorado gross income tax liability. Non-refundable credits may be used against an individual's gross income tax liability only to the extent the liability is exhausted. Refundable credits may be claimed regardless of the incidence of a positive gross income tax liability.

Corporate Income Tax

Collections and History

Fiscal year 2012 net collections from the corporate income tax were \$492 million. The State of Colorado enacted an income tax for both individuals and corporations in 1937. During the first 20 years of its existence, the corporate income tax base, rate, and allocation factors for interstate firms were modified several times. At enactment, the General Assembly assessed a flat rate of 4 percent against Colorado taxable income. By 1947, the rate was

increased to 5 percent; through 1980 a flat rate was in effect. In 1981, the General Assembly enacted a graduated tax rate. A graduated rate remained in effect until July 1993, wherein the General Assembly re-enacted a flat tax rate of 5 percent. The flat rate was lowered by the General Assembly to 4.75 percent in 1999 and the rate was lowered again to its current rate of 4.63 percent in 2000. All revenues accrue to the State General Fund.

Tax Base

The tax base is designed in conformance with the federal tax code, which defines net earnings as gross income minus allowable costs and deductions. In determining Colorado taxable income, the following items are added to federal taxable income: the federal net operating loss deduction, the state income tax deduction granted at the federal level, and assorted other deductions (including federally excluded bond interest income). Income components subtracted from federal taxable income include U.S. government bond interest, deducted Colorado income tax refunds, and other deductions such as excludable foreign source income. A corporation doing business only in Colorado will compute its tax on 100 percent of Colorado taxable income. However, a corporation doing business in more than one state must determine the amount of federal taxable income that is apportioned to Colorado. Apportionment of income to Colorado is determined by comparing certain Colorado revenue, expenses, and assets to the total revenue, expenses, and assets of the corporation. Generally, apportionment of income is computed using a single factor, sales. Under this method, business income is apportioned to Colorado by multiplying business income by a fraction, the numerator of which is the total sales of the corporation in Colorado during the tax period and the denominator of which is the total sales of the corporation during the tax period.

Computation of the Tax

A flat rate of 4.63 percent is levied against corporations' Colorado taxable income to derive their Colorado gross tax liability. Non-refundable credits may be used against a corporation's gross tax liability only to the extent the liability is exhausted.

Income Tax Credits

4.01 Colorado minimum tax credit

§39-22-105, C.R.S.

Enacted: 1987

Taxpayers may claim a credit of 12 percent of the federal prior year minimum tax credit actually claimed on their current year federal income tax return. The credit is limited to the tax due (Colorado normal tax plus AMT).

4.02 Credit for income tax paid to another state

§39-22-108, C.R.S.

Enacted: 1937

If a taxpayer has income that was earned and is taxable in another state, but was received while a resident of Colorado, the income is taxed in both states, which results in the income being taxed twice. To alleviate this double taxation, Colorado residents can claim a credit for taxes paid to another state.

4.03 Dual resident trust credit

§39-22-108.5, C.R.S.

Enacted: 2006

An income tax credit is available to any qualifying trust that is a resident of both Colorado and another state. The dual resident trust credit and the credit for tax paid to another state may not be claimed in the same tax year, and the credit is not available to a trust that became a Colorado resident trust prior to May 26, 2006.

4.04 Plastic recycling investment credit

§39-22-114.5, C.R.S.

Enacted: 1989

The plastic recycling investment tax credit is equal to 20 percent of the first \$10,000 of net expenditures to third parties for rent, wages, supplies, consumable tools, equipment, test inventory and utilities made for new plastic recycling technology in Colorado. The credit is available to Colorado resident individuals only.

4.05 Colorado child care credit

§39-22-119, C.R.S.
Enacted: 1996

The Colorado child care credit is a percentage of the child care credit claimed for federal income tax purposes. The federal credit is a child and dependent care credit. It is allowed for expenses incurred in the care of children under the age of 13 and for expenses incurred in the care of disabled dependents over the age of 12. However, the Colorado child care credit is allowed only with respect to the federal credit allowed for the care of children under the age of 13.

4.06 Child care contribution credit

§39-22-121, C.R.S.
Enacted: 1998

Taxpayers who make a monetary contribution to promote child care in Colorado may claim an income tax credit of 50 percent of the total contribution. The credit is limited for tax years 2011 - 2014.

4.07 Long term care insurance

§39-22-122, C.R.S.
Enacted: 1999

An income tax credit is available for Colorado residents who purchase or pay premiums on a long-term care insurance policy. The credit is equal to 25% of the amount paid for the insurance during the year limited to \$150 per policy.

4.08 Crop and livestock contribution credit

§39-22-301(3)(b), C.R.S.
Enacted: 1982

The crop and livestock contribution credit is available to C corporations that donate crops or livestock to certain charitable organizations for use in Colorado. The credit is equal to 25 percent of the contribution valued at wholesale market price or the most recent sale price.

4.09 Old investment tax credit

§39-22-507.5, C.R.S.
Enacted: 1979

The old investment tax credit is 10 percent of the current year federal investment credit, which includes the rehabilitation, energy and reforestation investment credits on assets located in Colorado. The current year credit is the sum of the old investment tax credit carryforward, the current year old investment tax credit and the old investment tax credit carryback. The credit is limited to the first \$5,000 of tax liability plus 25 percent of the tax in excess of \$5,000. The credits must be utilized in the order they were created. Excess credit may be carried back three years and forward seven. The credit is available only to C corporations.

4.10 New investment tax credit

§39-22-507.6, C.R.S.
Enacted: 1987

The new Colorado investment tax credit is allowed in an amount equal to 1 percent of the total qualified investment as determined under section 46(c) of the Internal Revenue Code in qualified property as defined in section 48 of the Internal Revenue Code as such sections existed prior to the Revenue Reconciliation Act of 1990. The new ITC is basically 10 percent of what the federal regular percentage ITC would be if it were still in effect. This credit was implemented in 1988 to provide an ITC on equipment that no longer qualified for the old ITC that was reduced by federal law changes in 1986.

4.11 Historic property preservation credit

§39-22-514, C.R.S.
Enacted: 1990

Colorado offers an income tax credit to Colorado resident individuals and C corporations for the preservation and rehabilitation of a qualified historic property. The structure must be at least 50 years old, and must be: a) designated individually

or as a contributing property in the State Register of Historic Places; b) designated as a landmark by a certified local government; or c) designated as a contributing property in a designated historic district of a certified local government. The credit is limited for tax years 2011 and later.

4.12 Alternative fuel vehicle credit

§39-22-516(2.5), C.R.S.
Enacted: 1992

Colorado allows income tax credits to taxpayers who have purchased an alternative fuel vehicle, converted a motor vehicle to use alternative fuel, or have replaced a vehicle's power source with an alternative fuel power source. To qualify, the vehicle must be titled and registered in Colorado. This credit was available for tax years beginning prior to January 1, 2010.

4.13 Innovative motor vehicle credit

§39-22-516(2.6), C.R.S.
Enacted: 2010

On or after January 1, 2010, but prior to January 1, 2012, Colorado allows an income tax credit to taxpayers who own an alternative fuel vehicle, converted a motor vehicle to use an alternative fuel, or have replaced a vehicle's power source with an alternative fuel power source. To qualify, the vehicle must be titled and registered in Colorado. Note: this credit is not applicable for the 2009 tax year and is not included in the tabulation of the estimated impact of specific tax expenditures.

4.14 Alternative fuel refueling facility credit

§39-22-516 (2.7), C.R.S.
Enacted: 1992

For tax years 1998 to 2010, Colorado income tax credits were available for the construction, reconstruction, or acquisition of an alternative fuel refueling facility that was directly attributable to the storage, compression, charging or dispensing of alternative fuels to motor vehicles.

4.15 Child care investment credit

§39-22-517(1), C.R.S.
Enacted: 1992

Taxpayers who operate a child care center, family child care home, or foster care home and who invest in qualified tangible personal property to be used in the operation of such facility may claim an investment tax credit equal to 20 percent of the investment. The facility must be licensed pursuant to the provisions of §26-6-104, C.R.S.

4.16 Employer child care facility investment credit

§39-22-517(2), C.R.S.
Enacted: 1992

Employers who provide child care facilities for the benefit of their employees can claim an investment tax credit. The tax credit is equal to 10 percent of the employer's investment during the tax year in qualified tangible personal property to be used in the operation of the child care facility. The facility must be incidental to the employer's business and must be licensed pursuant to §26-6-104, C.R.S.

4.17 School-to-career investment credit

§39-22-520(2), C.R.S.
Enacted: 1997

Colorado taxpayers are allowed to claim a credit of 10 percent of their current year investment in a qualified school-to-career program.

4.18 Colorado works program credit

§39-22-521(1), C.R.S.
Enacted: 1997

Colorado employers are allowed to claim a credit of 20 percent of their annual expenditures made to provide eligible services for their employees who receive public assistance pursuant to the Colorado Works Program. The credit may not be claimed for more than two years with respect to each individual employee.

4.19 Gross conservation easement credit

§39-22-522, C.R.S.
Enacted: 1999

An income tax credit is available for tax years beginning on or after January 1, 2000, for the donation of a perpetual conservation easement in gross on real property located in Colorado. The credit is based on the fair market value of the easement. The donation must be made to a governmental entity or a charitable organization that is exempt under section 501(c) (3) of the Internal Revenue Code of 1954, as amended and created at least two years prior to receipt of the easement. The donation must also qualify as a charitable contribution for federal income tax purposes.

4.20 Contaminated land redevelopment credit

§39-22-526, C.R.S.
Enacted: 2000

For any tax year beginning on or after January 1, 2000, but prior to December 31, 2010, an income tax credit is available for taxpayers who redevelop contaminated land in Colorado.

4.21 Developmental disability employee credit

§39-22-530, C.R.S.
Enacted: 2008

For tax years beginning on or after January 1, 2009, but prior to January 2, 2011, employers in Adams, Arapahoe, El Paso, Jefferson, Logan, Montrose and Morgan counties who hire a qualified person with a developmental disability will qualify for a tax credit. The credit is equal to 50 percent of the qualified employee's gross wages paid during the employee's first three months of continuous employment plus 30 percent of the employee's gross wages paid during the subsequent nine months of continuous employment. The availability of the credit is contingent upon sufficient revenue growth for the tax year. This is determined by the December legislative council revenue forecast issued prior to the tax year and that the general fund appropriation must grow 6 percent over the previous year. Note: this credit was not available in 2009, 2010, or 2011.

4.22 Job growth incentive tax credit

§39-22-531, C.R.S.
Enacted: 2009

For tax years beginning on or after January 1, 2009, but prior to January 1, 2015, an income tax credit is available to any taxpayer doing business in Colorado who receives certification from the Colorado Economic Development Commission (EDC) for a project that creates qualified job growth over a credit period not to exceed 60 months. The job growth must occur as a result of this credit and meet certain requirements established by the EDC.

4.23 Innovation investment tax credit

§39-22-532, C.R.S.
Enacted: 2009

For tax years beginning on or after January 1, 2010, but prior to January 1, 2011, this credit is available to qualified taxpayers other than C corporations who invest in a small qualified business involved primarily in research and development or manufacturing of new technologies, products or processes as designated by the Colorado Office of Economic Development and International Trade (OEDIT). The tax credit is 15 percent of the qualified investment made during calendar year 2010, but may not exceed \$20,000 per investor per qualified business.

4.24 Instream flow incentive tax credit

§39-22-533, C.R.S.
Enacted: 2009

For tax years beginning on or after January 1, 2009, but prior to January 1, 2015, a taxpayer who donates a permanent water right to the Colorado Water Conservation Board may be granted a refundable tax credit by the Board of up to one-half the value of the donated water right. The availability of the credit is contingent upon sufficient revenue growth for the tax year. This is determined by the December legislative council revenue forecast issued prior to the tax year and that the general fund appropriation must grow 6 percent over the previous year.

4.25 Low-income housing credit

§39-22-2102, C.R.S.

Enacted: 2000

For tax years beginning on or after January 1, 2001, an income tax credit is available for owners of qualified low-income housing developments that receive a credit allocation from CHFA before December 31, 2002.

4.26 Contribution to enterprise zone administrator credit

§39-30-103.5, C.R.S.

Enacted: 1989

Any taxpayer who makes monetary or in-kind contributions to an enterprise zone administrator or to an agent designated by the enterprise zone administrator for the purpose of implementing the economic development plan of the enterprise zone may claim an income tax credit of 25 percent of the value of the contribution up to a maximum credit of \$100,000.

4.27 Enterprise zone investment tax credit

§39-30-104(1)(a), C.R.S.

Enacted: 1986

The enterprise zone investment tax credit is 3 percent of any qualified investment in section 38 property, acquired and placed in service or constructed during the tax year, and used exclusively (100%) in a Colorado enterprise zone for the first year of its ownership by the taxpayer.

4.28 Commercial vehicle enterprise zone investment tax credit

§39-30-104(1)(b), C.R.S.

Enacted: 2010

A commercial truck, truck tractor, tractor, or semitrailer and any parts for such vehicle purchased at the same time may qualify for a limited enterprise zone investment tax credit if it meets certain conditions. The vehicle must be predominantly housed and based at the taxpayer's business trucking facility located within an enterprise zone for at least the first year of its

ownership by the taxpayer. The credit is limited to 1.5 percent of the qualified investment and is subject to allocated funding. Note: this credit is not applicable for the 2009 tax year and is not included in the tabulation of the estimated impact of specific tax expenditures.

4.29 Enterprise zone job training credit

§39-30-104(4), C.R.S.

Enacted: 1996

Colorado taxpayers are allowed to claim a credit of 10 percent of their total current year investment in a qualified job training program.

4.30 Enterprise zone new business facility employee credit

§39-30-105(1)(a)(I), C.R.S.

Enacted: 1986

Any taxpayer who establishes a new business facility in an enterprise zone can claim an income tax credit of \$500 for each new business facility employee who is working within the zone, prorated according to the number of months of employment during the tax year. For subsequent tax years, a credit of \$500 shall be allowed for any increase in the average number of new business facility employees working in the zone in excess of the maximum number employed in any prior tax year.

4.31 Enhanced rural enterprise zone new business facility employee credit

§39-30-105(1)(a)(III), C.R.S.

Enacted: 2002

In addition to the \$500 tax credit available to employers in enterprise zones for employees that meet the requirements for the new business facility employee credit, an additional \$2,000 credit for each new business facility employee is available to businesses located in an enhanced rural enterprise zone. The enhanced portion of the new business facility employee credit not used to offset tax can be carried forward for a period of up to seven years.

4.32 Enterprise zone employee health insurance credit

§39-30-105(1)(b), C.R.S.
Enacted: 1987

For the first two full income tax years while located in an enterprise zone, taxpayers are allowed a credit of \$200 for each new business facility employee insured under a health insurance plan or program. At least 50 percent of the cost must be paid by the employer. Such plan or program may be any health insurance, health maintenance organization or pre-paid health plan that is approved by the State Insurance Commissioner for sale in Colorado or it may be a self-insurance program. The program must be reduced to writing, and it must be legally enforceable against the taxpayer.

4.33 Enterprise zone agricultural employee processing credit

§39-30-105(3)(a), C.R.S.
Enacted: 1987

If a new business facility established by a taxpayer in an enterprise zone on or after January 1, 1989, is engaged in a business that adds value through manufacturing or processing to agricultural commodities, an additional credit of \$500 per new business facility employee is allowed. The enterprise zone new business facility agricultural processing employee credit is computed the same as the enterprise zone basic new business facility employee credit and is allowed in addition thereto.

4.34 Enhanced rural enterprise zone agricultural employee processing credit

§39-30-105(3)(b), C.R.S.
Enacted: 2002

In addition to the \$500 tax credit available to employers in enterprise zones for employees that meet the requirements for the enterprise zone agricultural employee processing credit, an additional \$500 credit for each new business facility agricultural processing employee is available to businesses located in an enhanced rural enterprise zone. The enhanced portion of the new business facility employee credit not

used to offset tax can be carried forward for a period of up to seven years.

4.35 Enterprise zone research and experimental credit

§39-30-105.5, C.R.S.
Enacted: 1988

Taxpayers who make expenditures on research and experimental activities in an enterprise zone qualify for an income tax credit. The 3 percent credit is based on the increase of a company's research and experimental expenditures within an enterprise zone over the average of such expenditures conducted in the same enterprise zone during the previous two income tax years. The expenditures must meet the research and experimental activities as defined in section 174 of the federal Internal Revenue Code of 1986, as amended.

4.36 Enterprise zone vacant commercial building rehabilitation credit

§39-30-105.6, C.R.S.
Enacted: 1989

The owner or tenant of a building in an enterprise zone that is at least 20 years old and that has been completely vacant for at least two years can claim a tax credit of 25 percent of the cost of rehabilitating such building for commercial use. The credit is limited to \$50,000 per building.

4.37 Aircraft manufacturer new employee credit

§39-35-104, C.R.S.
Enacted: 2005

For tax years beginning on or after January 1, 2006, but prior to January 1, 2017, an income tax credit of \$1,200 per employee is available for hiring qualified new aviation zone employees to aircraft manufacturers located in a Colorado aviation development zone. The credit is available for hiring qualified new aviation zone employees to aircraft manufacturers located in a Colorado aviation development zone.

Chapter 5: Income Tax Deductions

5.01 United States government interest

§39-22-104(4)(a), C.R.S.
Enacted: 1964

Interest income from United States government obligations is taxable by the federal government. Interest from U.S. government obligations is generally exempt from Colorado income tax.

5.02 PERA contribution made in 1984-1986/ DPSRS contributions made in 1986

§39-22-104(4)(c), C.R.S.
Enacted: 1982

These contributions were subject to state income tax in the years they were paid, but were tax-deferred for federal income tax purposes. This means the taxpayer must pay federal income tax when they receive benefit payments upon retirement or termination. The subtraction on their Colorado return enables taxpayers to subtract from taxable income the amount of pension benefits on which state income tax was already paid.

5.03 Repayment subtraction

§39-22-104(4)(c), C.R.S.
Enacted: 1982

A subtraction is allowed to prevent the taxation of any annuity or income or gain that was properly included as income and taxed in a prior tax year.

5.04 State income tax refund

§39-22-104(4)(e), C.R.S.
Enacted: 1964

Colorado individual, estate and trust taxpayers are not allowed to claim a deduction on the Colorado income tax return for state income tax paid during the taxable year (via withholding or otherwise). Therefore, any Colorado or other state income tax refund is not subject to tax by Colorado and, to the extent included in federal taxable income, such refunds may be subtracted from federal taxable income in determining Colorado taxable income.

5.05 Pension or annuity subtraction, taxpayer and spouse

§39-22-104(4)(f), C.R.S.
Enacted: 1982

This subtraction allows all or a portion of pension or annuity income taxable on the federal return to be exempt from Colorado tax.

5.06 Medical savings employer contribution

§39-22-104(4)(h), C.R.S.
Enacted: 1994

To the extent not otherwise claimed as a deduction in arriving at federal taxable income, amounts contributed to an employee's medical savings account created under the provisions of §39-22-507.4, C.R.S. may be claimed by the employee as a subtraction in determining Colorado taxable income.

5.07 Tuition program contribution

§39-22-104 (4)(i), C.R.S.
Enacted: 1997

Taxpayers can deduct on the Colorado income tax return the payments or contributions made to certain qualified state tuition programs.

5.08 Qualifying charitable contribution

§39-22-104(4)(m), C.R.S.
Enacted: 2000

Individuals who claim the federal standard deduction instead of itemizing their deductions on their federal return may be able to subtract a portion of their charitable contributions from their Colorado taxable income.

5.09 Wildfire mitigation measures

§39-22-104(4)(n), C.R.S.
Enacted: 2008

For income tax years 2009 through 2013 individuals, estates and trusts may subtract from federal taxable income 50 percent of the costs incurred in performing wildfire mitigation measures.

5.10 Catastrophic health insurance

§39-22-104.5, C.R.S.

Enacted: 1994

Any employer who does not offer other health insurance may offer catastrophic health insurance to its employees. Any Catastrophic Health Insurance Premiums withheld by an employer can be subtracted from the employees' taxable income on the "Other Subtractions" line of the Colorado Individual Income Tax return. Self-employed persons cannot claim this subtraction.

5.11 Insurance companies subject to a gross premiums levy

§39-22-112(1), C.R.S.

Enacted: 1937

Insurance companies are exempt from Colorado income tax if they are subject to a gross premiums levy by the State of Colorado Division of Insurance. An insurance agency is not an insurance company.

5.12 Non-profit corporations that file federal form 990

§39-22-112(1), C.R.S.

Enacted: 1937

Nonprofit corporations that file federal form 990 and are therefore exempt from filing a federal income tax return are also exempt from filing a Colorado income tax return.

5.13 Partnership modification

§39-22-202, C.R.S.

Enacted: 1937

This provision allows qualified adjustments relating to partnership income made in determining the income subject to tax by Colorado to be apportioned among the partners based on a determination of the partners' distributive share.

5.14 Foreign source income of export taxpayers

§39-22-206, C.R.S.

Enacted: 1993

Certain foreign income of partners in an export partnership is exempt from Colorado income tax.

5.15 Excludable foreign source income

§39-22-303(10), C.R.S.

Enacted: 1985

If, for federal income tax purposes, a corporation has elected to claim foreign taxes paid or accrued as a deduction, an amount of foreign source income equal to such deduction shall be subtracted from federal taxable income.

5.16 Exempt federal interest

§39-22-304(3)(a) & (b), C.R.S.

Enacted: 1964

Interest income from United States government obligations is taxable by the federal government. Federal law requires that this interest be generally exempt from state income tax. Therefore, any federal interest income reported on the federal income tax return as taxable, but exempt from state taxation, can be deducted from federal taxable income when computing the Colorado taxable income.

5.17 Income from the disposition of assets acquired prior to January 1, 1978, that has a higher Colorado basis than federal basis

§39-22-304(3)(c), C.R.S.

Enacted: 1964

Qualified income from the sale of assets that had a higher Colorado basis than federal basis is exempt from Colorado income tax.

5.18 Gain from a qualified sale under threat of condemnation

§39-22-304(3)(d), C.R.S.
Enacted: 1977

To the extent included in federal taxable income, any gain received from a qualified sale is exempt from Colorado income tax. A qualified sale is a sale made in good faith, but not between persons defined in §267(b) of the Internal Revenue Code, where the buyer had, or could have obtained, the power to condemn the property, but where such gain did not qualify for the deferral of gain under §1033 of the Internal Revenue Code.

5.19 Previously taxed income or gain

§39-22-304(3)(e), C.R.S.
Enacted: 1964

To the extent included in federal taxable income, any income or gain previously taxed by Colorado prior to 1965 either to the corporation, a decedent, an estate, or trust, from which the corporation acquired the income or gain is exempt from Colorado income tax.

5.20 Colorado income tax refund

§39-22-304(3)(f), C.R.S.
Enacted: 1964

Any refund of Colorado income tax to the extent included in federal taxable income is exempt from Colorado income tax. Income tax refunds from other states may not be subtracted.

5.21 Colorado net operating loss

§39-22-304(3)(g), §39-22-504, C.R.S.
Enacted: 1964

The Colorado net operating loss for any given tax year is the portion of the federal net operating loss allocated and/or apportioned to Colorado.

5.22 Excess oil shale depletion

§39-22-304(3)(h), C.R.S.
Enacted: 1964

The difference between the depletion allowed on oil produced from oil shale and the depletion that would have been permitted if the allowable depletion rate were 27 ½ percent is exempt from Colorado income tax.

5.23 Wages and salaries not deducted on federal return due to IRC Section 280C

§39-22-304(3)(i), C.R.S.
Enacted: 1979

A deduction for certain types of wage and salary income that cannot be deducted on the federal return is exempt from Colorado income tax. Wages and salaries that qualify for this subtraction include those for which the following federal credit(s) was taken on the federal return: Indian Employment, Work Opportunity, Empowerment Zone Employment, Orphan Drug, Research Expense, Employee Retention, Welfare-To-Work, Mine Rescue Team Training, and the Employer Social Security credit.

5.24 Gross-up provisions of section 78 of the Internal Revenue Code

§39-22-304(3)(j), C.R.S.
Enacted: 1978

Any amounts included in federal taxable income as dividend income due to the provisions of IRC §78 are exempt from Colorado income tax.

5.25 Fiduciary subtraction/ Fiduciary or partnership modification

§39-22-402, C.R.S.
Enacted: 1964

This provision allows qualified adjustments made in determining the income subject to tax by Colorado to be apportioned between an estate or trust and its beneficiaries.

5.26 Medical savings account contributions

§39-22-504.7(2)(e), C.R.S.
Enacted: 1994

To the extent not claimed as a deduction on the taxpayer's federal tax return, the amount contributed to a medical savings account is exempt from Colorado income tax.

5.27 Ride-sharing or mass transit expenses

§39-22-509, C.R.S.
Enacted: 1979

To the extent not claimed as a deduction on the taxpayer's federal tax return, a deduction is allowed for the amount of the corporation's contribution as an employer to: a) free or partially subsidized ridesharing arrangements for employees, cash incentives for participation in ridesharing arrangements, and the payment of all or part of the administrative cost incurred in organizing, establishing or administering a ridesharing program; or b) free or partially subsidized mass transit fares for use by employees in going to and returning from their places of employment.

5.28 Colorado source capital gain

§39-22-518, C.R.S.
Enacted: 1994

Qualified Colorado taxpayers may subtract certain net capital gain income to the extent the gains are included in their federal taxable income. Qualification to claim this subtraction is dependent upon the tax year in which the subtraction is claimed.

Chapter 6: Sales and Use Taxes

Collections and History

Revenues from the general sales and use tax totaled \$2.3 billion in fiscal year 2012. All revenues from the 2.9 percent general sales and use tax go into the State General Fund. The Colorado general sales and use tax was enacted in 1935 at a rate of

2 percent. The rate was increased to 3 percent in July 1965, 3.5 percent in 1983, and back down to 3 percent in August of 1984. In 2001, the General Assembly decreased the rate to its current level.

Tax Base

Colorado lists six broad categories of taxable goods in statutes and then lists the various exclusions to the broad list. A tax is levied: 1) on the purchase price charged or paid for all sales and purchases of tangible personal property, 2) on the net value of exchanged property, 3) upon telephone and telegraphs services, 4) for commercial consumption of gas and electric services, 5) upon the amount paid for food or beverages served or furnished by restaurants, cafes, and similar places of business, and 6) on the amount charged for the rental of lodging.

Specific exemptions to Colorado sales tax have gradually been added over time. The largest state sales tax exemption adopted by the General Assembly was the exemption of food for off-premises consumption, which was enacted in 1979. That same year, the General Assembly also removed the sales tax from residential utilities for heat, light, and power.

Computation of the Tax

The state rate is 2.9 percent on taxable sales. Businesses that pay the tax on time receive a 2.22 percent vendor's discount from the amount of tax due as a payment for the costs of collecting the tax.

Note: Data from sales tax returns cannot be compiled to determine the revenue impact of sales tax exemptions. A requirement for taxpayers to document this information would be too burdensome. Therefore, all sales tax expenditures in the table preceding this section are estimates based on U.S. Bureau of Census and applicable industry information.

Exemptions

6.01 Transfer of Assets

§39-26-102(10)(f), C.R.S.
Enacted: 1977

Transfers of assets in certain types of business formation or dissolution are exempt from sales and use tax.

6.02 Newspapers

§39-26-102(15), C.R.S.
Enacted: 1943

The sale of newspapers as defined in §24-70-102, C.R.S., is exempt from sales and use tax.

6.03 Preprinted newspaper supplements

§39-26-102(15), C.R.S.
Enacted: 1985

Preprinted newspaper supplements that become attached to or inserted in and distributed with newspapers are exempt from sales and use tax.

6.04 Direct mail advertising materials

§39-26-102(15), C.R.S.
Enacted: 1990

Direct mail advertising materials distributed by persons engaged solely and exclusively in providing cooperative direct mail advertising are exempt from sales and use tax. Repealed, effective March 1, 2010

6.05 Materials used in the printing process

§39-26-102(19), C.R.S.
Enacted: 1992

Exempt purchases of tangible personal property for resale by printers are included in the following categories: paper, ink, chemicals, materials, and pre-press preparation materials.

6.06 Ingredients and component parts

§39-26-102(20)(a), C.R.S.
Enacted: 1935

Tangible property becoming an ingredient or component part of the product or service manufactured for resale is exempt from sales and use tax.

6.07 Ingredients and components parts, food manufacturing

§39-26-102(20)(b), C.R.S.
Enacted: 1982

Property for use in food manufacturing when such property becomes part of the product for resale or is left unfit for further use is exempt from sales and use tax.

6.08 Energy used for industrial, manufacturing, and similar purposes

§39-26-102(21), C.R.S.
Enacted: 1937

Sales and purchases of electricity, coal, gas, fuel oil, steam, coke, or nuclear fuel used in processing, manufacturing, mining, refining, irrigation, construction, telegraph, telephone, and radio communication, street transportation services, and all industrial uses are exempt from the 2.9% state sales and use tax. Repealed, effective March 1, 2010 - June 30, 2012.

6.09 Gas and electric services when deemed a wholesale sale

§39-26-102(21), C.R.S.
Enacted: 1982

Gas and electric services, whether furnished by municipal, public, or private corporations or enterprises, are taxable when furnished for

commercial consumption, but are not taxable when sold for resale or for any of the uses set out in §39-26-102(21), C.R.S.

6.10 Printers ink and newsprint

§39-26-102(21), C.R.S.
Enacted: 1943

Printers ink and newsprint are exempt from the state sales and use tax.

6.11 Interstate telephone services

§39-26-104(1)(c)(I), C.R.S.
Enacted: 2002

Telephone service to customers whose primary use is outside Colorado is considered interstate and is exempt from the sales and use tax.

6.12 Sales of motor vehicles for use by nonresidents outside Colorado

§39-26-113(5)(a), C.R.S.
Enacted: 1977

Vehicles delivered to a nonresident of Colorado to be licensed outside the state of Colorado are exempt from Colorado sales tax. The vehicle cannot to be licensed or registered in Colorado and must be removed from the state of Colorado within 30 days of purchase.

6.13 Sales tax refund for commercial vehicles used in interstate commerce

§39-26-113.5, C.R.S.
Enacted: 2009

Effective July 1, 2011, a refund of state sales or use tax may be available for commercial vehicles used in interstate commerce. The refund availability is dependent on allocated funds collected from certain fines. The refund is calculated based on the specific ownership tax on the vehicle and issued over 3 years. Annual funds are limited by §42-1-255, C.R.S.

6.14 Wireless telecommunications equipment

§39-26-202(1)(c), C.R.S.
Enacted: 1996

Sales of wireless telecommunications equipment are exempt from sales and use tax.

6.15 Biotechnology equipment

§39-26-402(1), C.R.S.
Enacted: 1999

Qualified biotechnology taxpayers are allowed to claim a refund for the sales taxes paid for property used in Colorado directly and predominately in research and development in biotechnology.

6.16 Clean technology and medical devices

§39-26-403, C.R.S.
Enacted: 2009

Qualified clean technology or medical device taxpayers are allowed to claim a refund for the sales taxes paid for property used in Colorado directly and predominately in research and development in clean technology or medical devices. Beginning with calendar year 2009, the availability of the clean technology and medical devices research and development sales tax exemption is contingent upon sufficient revenue growth for the tax year. This is determined by the December legislative council revenue forecast issued prior to the fiscal year that the general fund appropriation must grow 6 percent over the previous year.

6.17 Sales to governmental entities

§39-26-704(1), C.R.S.
Enacted: 1937

Colorado statute exempts from state and state-collected sales tax all sales to the United States government and the state of Colorado, its departments and institutions, and its political subdivisions (county and local governments, school districts and special districts) in their governmental capacities only.

6.18 Sales to residents of bordering states that do not impose sales tax

§39-26-704(2), C.R.S.
Enacted: 1963

Sales to residents of a bordering state are exempt if the sale occurs within 20 miles of the Colorado border and the bordering state does not have a sales tax.

6.19 Lodging for permanent residents

§39-26-704(3), C.R.S.
Enacted: 1959

Colorado statute exempts the rental of a short-term lodging unit for 30 consecutive days or more. Short term lodging includes hotels, motels, bed-and-breakfast inns, condominiums, campsites, and time shares of any lodging unit.

6.20 Sales to public schools

§39-26-704(4), C.R.S.
Enacted: 1969

Sales to public schools, as defined in statute, are exempt from sales tax. If a school is conducted for private or corporate profit, sales thereto are subject to the sales tax.

6.21 Internet access services

§39-26-706(2)(a), C.R.S.
Enacted: 1998

Internet access, e-mail services, Web site hosting and domain name registration are non-taxable services in Colorado.

6.22 Certain materials used in the manufacturing or processing of iron, steel, and uranium-vanadium ores

§39-26-706(3), C.R.S.
Enacted: 1982

Refractory materials and carbon electrodes used in manufacturing iron and steel, and inorganic chemicals used in processing uranium-vanadium ores are exempt from sales tax.

6.23 Coins and precious metal bullion

§39-26-706(4), C.R.S.
Enacted: 1999

Retail sales of coins and precious metal bullion are exempt from sales tax. Not all numismatic pieces are exempt. Only precious metal bullion and coins that are or were at one time used as currency or as a medium of exchange in the United States or a foreign country are exempt.

6.24 Food purchased with food stamps

§39-26-707(1)(a), C.R.S.
Enacted: 1987

Colorado's principal sales tax exemption guideline is based upon what can be purchased for home consumption with food stamps and WIC vouchers. Exempt items eligible for purchase with food stamps or WIC vouchers include: food purchased for human consumption at home; seeds and plants which produce food for human consumption; and food purchased with food stamps or WIC vouchers. The following items, if purchased with food stamps or WIC vouchers or checks are exempt from the 2.9 percent state sales tax, but are taxable if purchased with cash: carbonated water marketed in containers; soft drinks; chewing gum; candy; seeds and plants to produce food for human consumption; prepared salads and salad bar items; cold sandwiches; and deli trays.

6.25 Food purchased with funds from the supplemental food program for women, infants, and children (WIC)

§39-26-707(1)(b), C.R.S.
Enacted: 1987

See description above.

6.26 Sales of certain items provided with food and beverage items

§39-26-707(1)(c) & (d), C.R.S.
Enacted: 1978

Sales and purchases of essential food items and packaging provided with purchased food and beverage items are exempt from the state sales and use tax. Examples of essential articles or containers include, but are not limited to: non-reusable plates, cups, or bowls (and lids for such items) on, or in which, unwrapped or unpackaged hot or prepared food and beverages are served to the consumer; cups used in vending machines dispensing beverages; and disposable containers or packaging material on, or in which, food is transferred to the consumer, including pizza delivery boxes, sleeves for French fries, buckets, clamshells or other containers. Repealed, effective March 1, 2010.

6.27 Food for home consumption

§39-26-707(1)(e), C.R.S.
Enacted: 1979

Sales of food for home consumption as defined by the federal food stamps program in 7 U.S.C. sec. 2012(g) is exempt from sales and use tax. Beginning May 1, 2010, sales of candy and soft drinks are taxable.

6.28 Food service employer-provided meals

§39-26-707(2)(a), C.R.S.
Enacted: 1978

Meals provided by restaurants or similar businesses to employees free of charge or at a discount are not subject to state sales tax.

6.29 Construction and building materials for use by contractors on public works projects, tax-exempt organizations, and public schools

§39-26-708(1), C.R.S.
Enacted: 1979

Building materials for construction work on property owned and used by tax-exempt organizations—religious, charitable and governmental—may be purchased tax free. The sales and use tax exemption applies to materials that become part of the structure, highway, road, street or other public works owned and used by

the tax-exempt organization. Also, electricity and most fuels consumed in performing real property construction are exempt.

6.30 Machinery or machine tools used in the manufacturing process

§39-26-709(1)(a)(II), C.R.S.
Enacted: 1979

Purchases of machinery or machine tools and parts thereof are exempt from state sales and use tax when the machinery will be used in manufacturing. For businesses in an enterprise zone, the statewide sales and use tax manufacturing exemption is expanded to include the purchase of machinery and machine tools used in certain mining or oil and gas operations.

6.31 Construction materials for use by a common carrier by rail

§39-26-710(1)(a), C.R.S.
Enacted: 1977

Sales of construction materials to a common carrier by rail are exempt from sales and use tax.

6.32 Railroad capital equipment

§39-26-710(1)(b) & (c), C.R.S.
Enacted: 1992

Sales of certain railroad capital equipment are exempt from sales and use tax. Examples of exempt equipment include locomotives, freight cars, railroad work equipment and property that is attached or is a component part of such equipment.

6.33 Aircraft used in interstate commerce by commercial airlines

§39-26-711(1)(a), C.R.S.
Enacted: 1984

Aircraft used in interstate commerce by a commercial airline are exempt from state sales and use tax.

6.34 Aircraft component parts used in interstate commerce by commercial airlines

§39-26-711(1)(b), C.R.S.
Enacted: 1991

Aircraft component parts permanently affixed to aircraft used in interstate commerce by a commercial airline are exempt from state sales and use tax.

6.35 New or used aircraft to a non-resident

§39-26-711.5 (1), C.R.S.
Enacted: 2008

Effective August 5, 2008, sales of aircraft to non-residents are exempt from sales tax if the aircraft will be removed from the state within 120 days of the sale and the aircraft will not be in the state more than 73 days in any of the three calendar years following the calendar year the aircraft is removed from the state.

6.36 Commercial trucks and trailers licensed out-of-state

§39-26-712(1)(a) & (b), C.R.S.
Enacted: 1976

New and used commercial trucks and trailers purchased in Colorado for use outside Colorado or in interstate commerce and permanently licensed and registered outside this state are exempt from sales and use tax.

6.37 Complimentary marketing property to out-of-state vendors

§39-26-713(1)(b), C.R.S.
Enacted: 1978

Property that is provided free-of-charge by a supplier to out-of-state vendors for use in selling the supplier's products is exempt from sales and use tax.

6.38 Testing property used for short-term out-of-state testing

§39-26-713(1)(c), C.R.S.
Enacted: 1977

The sale of tangible personal property for testing, modification, or inspection in the state is exempt from sales and use tax if the ultimate use of the property in manufacturing or similar type of activities occurs outside of this state and if the test, modification, or inspection period does not exceed ninety days.

6.39 Donations of component parts to tax-exempt organizations

§39-26-713(1)(d), C.R.S.
Enacted: 1998

Sales and purchases of personal property used as a component part of manufactured goods donated to tax-exempt organizations to the extent that the aggregate value of the goods included in a single donation exceeds \$1,000.

6.40 Certain personal property sold through vending machines

§39-26-714(1), C.R.S.
Enacted: 1986

Taxable items selling for 15 cents or less are exempt from sales tax.

6.41 Food sold through vending machines

§39-26-714(2), C.R.S.
Enacted: 1999

Sales and purchases of food sold through vending machines are exempt from Colorado sales tax. Sales of hot and cold beverages in unsealed containers sold by vending machine are not exempt.

6.42 Gasoline and special fuel

§39-26-715(1)(a)(I), C.R.S.
Enacted: 1935

Gasoline is exempt from state sales and use tax. Special fuel is exempt from state sales and use tax when the product is used for propelling a motor vehicle on Colorado highways.

6.43 Fuel for residential heat, light, and power

§39-26-715(1)(a)(II), C.R.S.
Enacted: 1979

Gas, electricity, coal, fuel oil and other energy sources sold to occupants of residences for residential use are exempt from sales and use tax.

6.44 Special fuel for farm vehicles

§39-26-716(2)(a), C.R.S.
Enacted: 1977

Special fuel is exempt from the state sales and use tax when it is used to operate tractors, trucks, or other farm implements or machinery off-highway and when being used for agricultural purposes on farms or ranches.

6.45 Farm equipment

§39-26-716(2)(b) & (3)(b), C.R.S.
Enacted: 1999

Colorado statute exempts many non-registered farm vehicles, towed equipment, trailers, and the attachments to these vehicles, irrigation equipment, and aircraft used in crop dusting. The statute also exempts farm use of bailing wire, binders twine, surface wrap, pallets and crates. Shipping pallets, aids and crates are exempt when used in the transfer or shipping of agricultural products.

6.46 Farm parts used in the repair or maintenance of farm equipment

§39-26-716(2)(b) & (3)(b), C.R.S.
Enacted: 2000

Parts for the maintenance and repair of farm equipment that qualifies for exemption is exempt from sales tax.

6.47 Dairy equipment

§39-26-716(2)(b) & (3)(b), C.R.S.
Enacted: 2001

Dairy equipment used at a dairy farm (and not in commercial milk production) qualifies for state sales tax exemption.

6.48 Agricultural compounds and bull semen

§39-26-716(2)(d), C.R.S.
Enacted: 1999

All sales and purchases of agricultural compounds that are consumed by, administered to, or otherwise used in caring for livestock are exempt from Colorado state sales and use tax. This exemption also applies to all sales and purchases of semen for agricultural or ranching purposes. "Agricultural compounds" means: Insecticides, fungicides, growth-regulating chemicals, enhancing compounds, vaccines, and hormones; drugs, that are used for the prevention or treatment of disease or injury in livestock; and animal pharmaceuticals that have been approved by the Food and Drug Administration. Repealed, effective March 1, 2010 - June 30, 2011

6.49 Pesticides

§39-26-716(2)(e), C.R.S.
Enacted: 1999

Effective July 1, 1999, purchases of pesticides or other substances registered by the Colorado Commissioner of Agriculture as agricultural use pesticides are exempt from state sales and use tax and any special district sales and use tax when purchased from a dealer licensed and registered under §35-9-115, C.R.S., of the pesticide act. Repealed March 1, 2010 - June 30, 2011

6.50 Certain livestock

§39-26-716(3)(a) & (4)(a), C.R.S.
Enacted: 1943

The sale, storage and use of neat cattle, sheep, lambs, poultry, swine, goats, and horse breeding stock and the sales and purchases of livestock and poultry are exempt from sales tax.

6.51 Farm auction close-out sales

§39-26-716(4)(a), C.R.S.

Enacted: 1945

To be eligible for the exemption, a farm close-out sale must be for the sale of all tangible personal property used in the farming or ranching operation. The farmer or rancher must be abandoning operations of the farm or ranch. If these conditions are not met, the sales are subject to state sales tax.

6.52 Fish for stocking

§39-26-716(4)(a), C.R.S.

Enacted: 1970

All sales of live fish for stocking purposes are exempt from sales tax.

6.53 Feed for livestock, seeds, and orchard trees

§39-26-716(4)(b), C.R.S.

Enacted: 1943

All seeds purchased for a farm operation, whether they are food-producing or not, are exempt from state and local sales taxes. All orchard trees are exempt from state and local sales taxes.

6.54 Straw for livestock and poultry bedding

§39-26-716(4)(c), C.R.S.

Enacted: 1961

All sales and purchases of straw and other bedding for use in the care of livestock or poultry are exempt from sales tax.

6.55 Prescription drugs

§39-26-717(1)(a), C.R.S.

Enacted: 1965

Colorado exempts prescription drugs from state and state-administered sales and use taxes.

6.56 Insulin

§39-26-717(1)(b), C.R.S.

Enacted: 1977

Colorado exempts insulin from state and state-administered sales and use taxes.

6.57 Glucose for treatment of insulin reactions and insulin measuring and injecting devices

§39-26-717(1)(c), C.R.S.

Enacted: 1979

Colorado exempts glucose for treatment of insulin reactions and insulin measuring and injecting devices from state-administered sales and use taxes.

6.58 Urine- and blood-testing kits and materials

§39-26-717(1)(d), C.R.S.

Enacted: 1979

Colorado exempts urine- and blood-testing kits and materials from state and state-administered sales and use taxes.

6.59 Insulin measuring and injecting devices

§39-26-717(1)(e), C.R.S.

Enacted: 1979

Colorado exempts insulin measuring and injecting devices from state and state-administered sales and use taxes.

6.60 Prosthetic devices

§39-26-717(1)(f), C.R.S.

Enacted: 1965

Colorado exempts prosthetic devices from state and state-administered sales and use taxes.

6.61 Oxygen delivery equipment and related supplies

§39-26-717(1)(g), C.R.S.

Enacted: 1979

Colorado exempts oxygen delivery equipment and related supplies from state and state-administered sales and use taxes.

6.62 Supplies related to incontinence, infusion, enteral nutrition, ostomy, urology, diabetic care, and wound care

§39-26-717(1)(h), C.R.S.

Enacted: 1979

Colorado exempts supplies related to incontinence, infusion, enteral nutrition, ostomy, urology, diabetic care, and wound care from state and state-administered sales and use taxes.

6.63 Equipment and accessories for sleep therapy, inhalation therapy, and electrotherapy

§39-26-717(1)(i), C.R.S.
Enacted: 1979

Colorado exempts equipment and accessories for sleep therapy, inhalation therapy, and electrotherapy from state and state-administered sales and use taxes.

6.64 Durable medical equipment and mobility enhancing equipment

§39-26-717(1)(j), C.R.S.
Enacted: 1979

Colorado exempts durable medical equipment and mobility enhancing equipment from state and state-administered sales and use taxes.

6.65 Nonprescription drugs or materials when furnished by a licensed provider as part of professional services

§39-26-717(1)(k), C.R.S.
Enacted: 1980

Colorado exempts qualifying nonprescription drugs or materials from state and state-administered sales and use taxes.

6.66 Corrective eyeglasses, contact lenses, or hearing aids

§39-26-717(1)(l), C.R.S.
Enacted: 1980

Colorado exempts corrective eyeglasses, contact lenses, or hearing aids from state and state-administered sales and use taxes.

6.67 Sales to charitable organizations

§39-26-718(1)(a), C.R.S.
Enacted: 1937

Colorado allows charitable organizations an exemption from state-collected sales tax for purchases made in the conduct of their regular charitable functions and activities.

6.68 Special events sales by veterans' organizations

§39-26-718(1)(a), C.R.S.
Enacted: 1999

An exemption may only be granted to qualifying veterans' organizations for a special event, meeting or other function that is not part of the organization's regular activities.

6.69 Occasional sales by charitable organizations

§39-26-718(1)(b), C.R.S.
Enacted: 1995

If the charitable organization conducts sales for a total of 12 days or less during a calendar year and the net proceeds from all these events do not exceed \$25,000 in that calendar year, the sales are not subject to sales tax.

6.70 Sales by an association or organization of parents and teachers of public school students that is a charitable organization

§39-26-718(1)(c), C.R.S.
Enacted: 2008

Sales made by schools, school activity booster organizations, and student classes or organizations are exempt from state sales tax if all proceeds of the sale are for the benefit of a school or school-approved student organization. Sales by a parent/teacher association for the benefit of a public school, or organized public school activities, or to pay the reasonable expenses of the association are exempt if the association is a charitable organization and the school that it supports is a public school.

6.71 Low-emitting vehicles

§39-26-719(1), C.R.S.
Enacted: 1999

Motor vehicles greater than 10,000 pounds gross motor vehicle weight rating (GVWR) that are certified by the Federal Environmental Protection Agency (EPA) or any state provided in the Federal Clean Air Act as meeting an emission standard equal to or more stringent than the low-emitting vehicle (LEV) standard are exempt from state sales and use tax.

6.72 Bingo and raffle equipment

§39-26-720, C.R.S.
Enacted: 2001

The sale of equipment to a bingo-raffle licensee is exempt from Colorado sales tax.

6.73 Factory built housing

§39-26-721(1), C.R.S.
Enacted: 1979

A manufacturer or dealer who merely sells a modular or sectional home to a customer and does not at the time agree to incorporate it into the realty of the customer is considered a retailer and is required to charge sales tax on 52 percent of the sales price of the structure.

6.74 Machinery that comprises a cleanroom

§39-26-722(1), C.R.S.
Enacted: 2007

Purchases made on or after July 1, 2007, but prior to July 1, 2017, of machinery that comprises a cleanroom are exempt from sales and use tax when the cleanroom will be used to produce certain tangible property. Beginning June 2008, the availability of the cleanroom equipment exemption for a given fiscal year is contingent upon sufficient revenue growth for the fiscal year.

6.75 Wood from salvaged trees killed or infested in Colorado by mountain pine beetles

§39-26-723(1), C.R.S.
Enacted: 2008

Products made of wood salvaged from Colorado trees that have been infested by mountain pine beetles are exempt from state sales and use tax. This exemption applies to products such as lumber from salvaged trees, furniture built with wood from salvaged trees, wood chips or wood pellets generated from salvaged trees, or other products made substantially with wood from salvaged trees, such as pencils. This exemption is available between July 1, 2008 - June 30, 2013.

6.76 Components used in the production of electricity from a renewable energy source

§39-26-724(1)(a), C.R.S.
Enacted: 2007

Components used in the production of electricity from a renewable energy source, including but not limited to wind, are exempt from state sales and use tax. Effective July 1, 2009, components used in solar thermal systems are exempt from state sales and use tax.

6.77 Sales that benefit Colorado schools

§39-26-725(2), C.R.S.
Enacted: 2008

Sales made by schools, school activity booster organizations, and student classes or organizations are exempt from state sales tax if all proceeds of the sale are for the benefit of a school or school-approved student organization.

6.78 Medical marijuana to indigent patients

§39-26-726, C.R.S.
Enacted: 2010

Medical marijuana is subject to sales tax, unless the Colorado Department of Health and Environment (CDPHE) issues the patient a tax exempt medical marijuana registry card that has a tax exempt status notation. A person qualifies for the tax exempt status if his or her income is below certain levels, depending on how many people are in the patient's family.

Chapter 7: Severance Taxes

Collections and History

In fiscal year 2012, severance tax revenues were \$175 million. Fifty percent of severance tax revenues goes to the State Severance Tax Fund and fifty percent goes to the Local Government Severance Tax Fund. Although a severance tax was first enacted in Colorado in 1913, revenues from the extraction of non-renewable resources weren't appreciable until 1953 when an additional income tax was levied on income derived from the extraction of crude oil and natural gas. In 1977, when Article 29 (Severance Tax) was added to Title 39 of the Colorado statutes, the income-based tax on the severance of oil and gas was moved from the income tax to the new severance tax article.

Tax Base

Taxes are levied on the production or extraction of coal, metallic minerals, molybdenum, oil and gas, and oil shale. The tax rates and any exemptions or credits are specific to the type of material extracted.

Computation of the Tax

Coal. A base rate of 36¢ per ton is levied on the extraction of coal. The quarterly base rate is adjusted based on the U.S. Department of Labor's Producer Price Index. The rate is increased or decreased 1 percent for every 1.5 percent increase or decrease in the index.

Metallic Minerals. A tax of 2.25 percent is levied against the extraction of metallic minerals and is based on gross income.

Molybdenum. A tax of 5 cents per ton is levied against the extraction of molybdenum.

Oil and Gas. A graduated rate of 2 to 5 percent is levied against the net gross income derived from the production of oil and gas in Colorado.

Oil Shale. A tax is levied at the rate of up to 4 percent on the gross proceeds from each commercial oil shale facility, depending on the length of time that commercial production of oil shale commenced.

Exemptions, Credits, and Deductions

7.01 Deduction for oil and gas transportation costs

§39-29-102(3)(a), C.R.S.

Enacted: 1985

For oil and gas, "gross income" means the net amount realized by the taxpayer. "Net amount" is calculated based on the gross lease revenues, less deductions for any transportation costs.

7.02 Deduction for oil and gas processing and manufacturing costs

§39-29-102(3)(a), C.R.S.

Enacted: 1985

For oil and gas, "gross income" means the net amount realized by the taxpayer. "Net amount" is calculated based on the gross lease revenues, less deductions for any manufacturing and processing costs.

7.03 Oil shale equipment and machinery deduction

§39-29-102(4)(a), C.R.S.

Enacted: 1977

By definition, "gross proceeds" for oil shale means the value of the oil shale at the point of severance. Such value shall be determined by deducting from the first sales price of the shale oil all costs, including direct and indirect expenditures for equipment and machinery.

7.04 Oil shale fragmenting, crushing, conveying, beneficiating, pyrolysis, retorting, refining, and transporting deductions

§39-29-102(4)(b), C.R.S.

Enacted: 1977

By definition, "gross proceeds" for oil shale means the value of the oil shale at the point of severance. Such value shall be determined by deducting from the first sales price of the shale oil all costs, including direct and indirect expenditures for fragmenting, crushing, conveying, beneficiating, pyrolysis, retorting, and refining.

7.05 Oil shale royalty payment deduction

§39-29-102(4)(c), C.R.S.
Enacted: 1977

By definition, "gross proceeds" for oil shale means the value of the oil shale at the point of severance. Such value shall be determined by deducting from the first sales price of the shale oil all costs, including direct and indirect expenditures for royalty payments.

7.06 Metallic minerals threshold exemption

§39-29-103(1)(b), C.R.S.
Enacted: 1977

No tax is levied on the first \$19 million on gross income.

7.07 Metallic minerals tax ad valorem credit

§39-29-103(2), C.R.S.
Enacted: 1977

A credit equal to the total amount of ad valorem taxes assessed or paid during the taxable year not to exceed 50 percent of the gross tax liability is allowed.

7.08 Tax exempt molybdenum tonnage

§39-29-104(1), C.R.S.
Enacted: 1999

No tax shall be imposed on the first 625,000 tons of molybdenum ore produced each quarter of the taxable year.

7.09 Deduction for oil and gas stripper well production

§39-29-105(1)(b), C.R.S.
Enacted: 1977

On or after January 1, 2000, oil produced from any well that produces fifteen (15) barrels per day or less of oil and gas produced from wells that produce ninety thousand cubic feet or less of gas per day, for the average of all producing days for such oil and gas production during the taxable year, shall be exempt from tax.

7.10 Oil and gas ad valorem credit

§39-29-105(2)(a), C.R.S.
Enacted: 1977

A credit is allowed, equal to 87.5 percent of all ad valorem taxes assessed or paid during the taxable year for crude oil, natural gas, carbon dioxide, and oil and gas leaseholds and leasehold interests and oil and gas royalties and royalty interests for state, county, municipal, school district, and special district purposes except the ad valorem taxes paid or assessed on stripper wells.

7.11 Tax exempt coal tonnage

§39-29-106(2)(b), C.R.S.
Enacted: 1977

No tax is levied on the first 300,000 tons of coal produced in each quarter of the taxable year.

7.12 Underground coal production credit

§39-29-106(3), C.R.S.
Enacted: 1977

A credit is allowed equal to 50 percent of the severance tax imposed on coal produced from underground mines.

7.13 Lignitic coal production credit

§39-29-106(4), C.R.S.
Enacted: 1977

A credit is allowed equal to 50 percent of the severance tax for the production of lignitic coal.

7.14 Oil shale tonnage/barrels exemption

§39-29-107(3), C.R.S.
Enacted: 1977

The production of the first 15,000 tons per day of oil shale or 10,000 barrels per day of oil shale shall be exempt from tax.

7.15 Impact assistance credit

§39-29-107.5, C.R.S.

Enacted: 1979

A credit against the severance tax is allowed with respect to contributions to local government that are deemed to be necessary because of a new severance operation or the increase in production at an existing operation. The amount of the credit must be certified by the Executive Director of the Department of Local Affairs.

Colorado Tax Profile Study



Executive Summary

This is the tenth in the series of Colorado Tax Profile Studies (CTPS), first published in 1972. The CTPS model was developed to assess the burden of state and local taxes on Colorado households. In particular, the study estimates and examines the amount of taxes paid by households at different income levels. The study does not attempt to examine how Colorado's state and local tax structure affects households' economic situation. Nor does it attempt to assess the impact of taxes or tax credits on work incentives, economic growth, or their effects on particular industries in the state.

It should be noted that the studies prior to 1989 were based on a different income concept. Nonetheless, the studies provide a review of the distribution of the taxes collected by Colorado's state and local governments on households over time.

How Colorado Compares With Other States

In 2010, while Colorado ranked 11th among the 50 states for the amount of personal income per capita, it ranked 31st for the amount of taxes collected per \$1,000 of personal income by state and local governments. Colorado ranked among the top for its expenditures on parks and recreation as well as fire protection, corrections, and utility expenditures. It ranked 22nd in the nation for spending on higher education and was ranked 33rd for elementary and secondary education. On per capita expenditures for public welfare and health, the state ranked 49th and 16th, respectively.

Tax Collections

The tax revenues that are documented in this study pertain mostly to calendar year 2009. The state income tax returns for income tax year 2009 are submitted during fiscal year 2009-10, and the calendar year 2009 revenues from local governments are documented in this report since local government revenues in Colorado are based on a calendar, rather than a fiscal year. Therefore, the taxes collected by state and local governments in this study reflect, for the most part, tax collections at the trough of the 2008/2009 economic recession caused by the U.S. housing market correction.

Between fiscal years 2001 and 2010, income tax collections increased at an average annual rate of less than 1 percent while the average annual rate of inflation was a little greater than 2 percent. While wage income rose 29 percent over the nine-year span between the two studies, capital gains and business income decreased by 58 and 9 percent, respectively. The growth in pension income was the largest among the various types of household income earned in the state. Between the study years pension income grew at an average annual rate of 6.3 percent for a total increase of 73 percent between fiscal years 2001 and 2010.

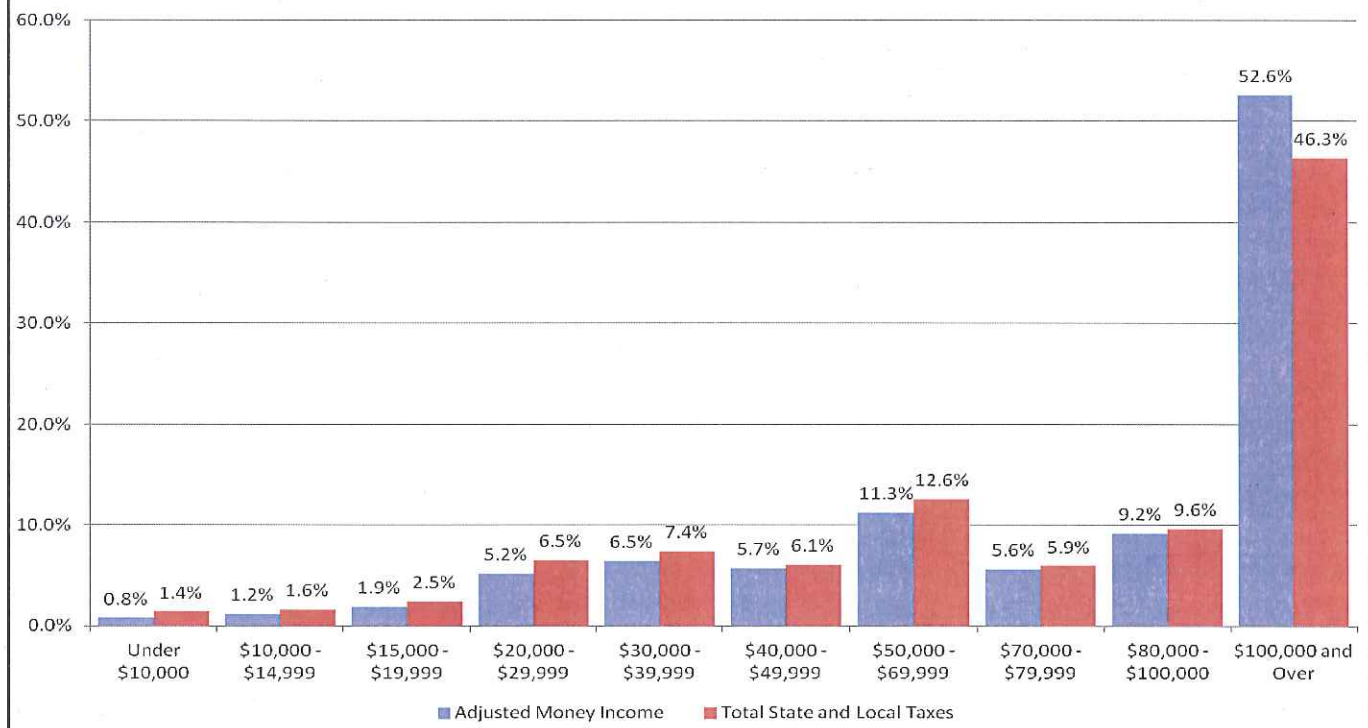
Sales tax revenues increased at an average annual rate of 8.5 percent from the 1994 study to the 2001 study, a period including the longest economic expansion in U.S. history. However, after two recessionary troughs between the 2001 and 2010 study, sales tax revenues increased at an average annual rate of 1.5 percent. The two retail sectors in the state that were particularly hard-hit by the 2008/2009 recession were motor vehicle and parts dealers and gasoline stations.

The assessed value of residential property in fiscal year 2010 was over 2.4 times larger than in fiscal year 2001 and property tax revenues collected by local governments increased 84 percent over the nine year period. Due to a combination of the spending limits set by the constitutional amendment adopted in 1992 and the Gallagher amendment, the residential assessment rate fell from 9.74 percent during the 2001 study to 7.96 percent for the current study. Additionally, the average mill levy decreased from 75.733 mills in FY2001 to 69.761 mills in FY2010.

Proportional Distribution of Income and Taxes

The distribution of income in the state did not change much between the two studies. The 2001 study showed that the highest income category included 14 percent of the households in the state and that they had acquired 49 percent of the adjusted money income in Colorado. The data in this 2010 study shows that the 14 percent of

Chart 1. Comparison of Income Received by Colorado Families and the Taxes They Paid



households in the highest income category secured 50 percent of the adjusted income in the state.

The pattern of the payment of state taxes among households indicated that households in the lowest income group paid a greater proportion of taxes than the proportion of statewide income they received. Households with the highest incomes paid a smaller proportion of taxes compared to the proportion of statewide income they received. In prior studies, with the exception of the 2001 study which showed the effect of a redistribution of surplus revenues, data has shown that households in the highest income groups paid a smaller proportion of combined state and local taxes than their share of statewide income.

Average Income and Taxes

The average adjusted money income in the state in this study was \$69,344. However, given the concentration of income among the wealthiest households, the average deviates significantly from the median, which was \$39,736. The modal adjusted money income of households in Colorado, when categorized by \$10,000 increments was between \$20,000 and \$30,000. The average amount of state taxes paid by households was \$2,691. However,

given the disparity in income, the average state taxes paid, excluding the households in the highest income group, was \$1,539. In computing the average amount of local taxes paid, the average including households in the highest income group was \$2,334. Excluding that group, the average amount of local taxes paid was \$1,725.

Effective Tax Rates

The distribution of the effective rate of state taxes was relatively proportional but slightly regressive during the period covered by this study. The effective rate of taxes levied by local governments, on the other hand, was substantially regressive. The more proportional nature of the distribution of the effective rate of state taxes however, was not large enough to mitigate the regressivity of the taxes levied by local governments. A comparison of the combined effective rate of state and local taxes among income classes shows that the state and local tax burden is regressive. The lowest income category had the highest effective rate of combined state and local taxes at 13 percent and the rate decreased to 5.7 percent for households in the highest income category.

The FY 2009-10 study shares similar conclusions with past studies as well as some that are different. As with past studies, measures of vertical equity showed that the progressive nature of the income tax moderates the regressive nature of the consumption taxes (sales and excise) levied by the state. The proportional nature of state taxes typically blunts the regressivity of taxes levied by local governments. Despite this, as in past studies, the distribution of the effective rate of state and local taxes on households remained significantly regressive.

The data presented in this study provide a foundation for an informed discussion of the distributive effects of the tax policy in statutes and the equity of the distribution of the state and local tax burden on the residents in the state of Colorado. However, given the unusual nature of the economic conditions that served as the backdrop for this study the reader is well-advised to examine the resulting distribution of state and local taxes within the context of the economic environment. The data in the study specifically pertain to the income and tax circumstances of households during the trough

of the 2008/2009 economic recession and is likely to have changed since then.

State and Local Tax Collections

A comparison of Colorado taxes and expenditures with other states is offered in this section.

Comparison of Colorado Taxes and Expenditure With Other States

According to U.S. Department of Commerce data, during calendar year 2009, Colorado was ranked 11th in the nation for the amount of personal income per capita. Since the dot-com bubble burst in March 2000, the state's personal income per capita ranking has slipped. Prior to the recession and during the last study period, fiscal year 2001, there were only six states had more income per capita than Colorado—Connecticut, New Jersey and Massachusetts ranking 1st, 2nd, and 3rd, respectively.

Table I shows that in fiscal year 2010, Colorado ranked 31st among the 50 states for the amount of taxes collected per \$1,000 of personal income by

**Table I. State and Local Taxes Per \$1,000 Personal Income
Thirteen Western States, Fiscal Year 2010**

State	State and Local Taxes Per \$1,000 Personal Income		Local Taxes Per \$1,000 Personal Income		Share of Local Taxes as a Percent of State and Local Taxes	
	Amount	National Rank	Amount	National Rank	Percent	National Rank
Alaska	\$197	0	\$53	5	27	45
New Mexico	96	32	33	37	34	38
Hawaii	118	7	32	42	27	44
California	110	0	43	24	39	31
Utah	93	37	36	34	39	33
Wyoming	136	3	53	4	39	32
Idaho	88	44	28	47	32	40
Arizona	91	0	44	23	48	12
Montana	94	36	32	41	33	39
Washington	94	35	38	33	40	30
Oregon	95	34	42	27	44	18
Nevada	105	17	44	20	42	24
Colorado	\$96	31	\$56	3	58	1

state and local governments. This means that the state and local government entities of 30 out of the 50 states collected more taxes per \$1,000 of personal income than did state and local government entities in Colorado. Table II shows that the amount of revenues collected by the state of Colorado per \$1,000 of personal income was ranked even lower, 48 states collected more—only one, New Hampshire, collected less. On the other hand, Colorado local governments rank higher than most in the proportion and the amount of taxes collected per \$1,000 of personal income.

The construct of tax collections in the state, due to the nature of Colorado's decentralized governance is quite different from other states. Table II illustrates that the revenues collected by local governments as a percentage of revenues collected by both state and local governments is nearly unparalleled by other states. Colorado continues to be ranked among the top 10 states for the proportion of tax revenues collected by local governments. Among the 50 states in fiscal year 2010, Colorado ranked highest with regard to the percent of revenues collected by local governments as a percentage of total state and local government tax revenues. Accordingly,

**Table II. Colorado Taxes Per \$1,000 Personal Income
State, Local, and Total Taxes, 1990-2010**

Fiscal Year	State Taxes		Local Taxes		Combined Total		Local as a % of State and Local	
	Amount	Rank	Amount	Rank	Amount	Rank	Percent	Rank
1990	\$51	48	\$54	5	\$52	31	52	2
1991	49	48	52	5	51	33	51	3
1992	51	48	51	8	50	37	50	3
1993	51	48	51	6	50	39	50	4
1994	52	48	50	6	49	41	49	4
1995	53	48	49	12	48	42	48	4
1996	52	48	48	13	48	45	48	4
1997	53	48	48	10	48	44	48	3
1998	54	47	47	11	46	42	46	6
1999	55	45	47	8	46	40	46	7
2000	55	46	48	7	47	43	47	5
2001	*	*	*	*	*	*	*	*
2002	44	49	44	11	88	45	50	3
2003	*	*	*	*	*	*	*	*
2004	42	49	45	10	86	46	52	3
2005	43	49	45	12	87	46	51	4
2006	44	49	45	10	89	46	51	4
2007	45	48	46	10	91	46	50	4
2008	45	48	46	9	91	42	51	4
2009	42	49	55	3	98	36	57	2
2010	\$40	49	\$56	3	\$96	31	58	1

* Information not available

it also ranked 3rd for the amount of tax revenues collected by local governments for every \$1,000 of personal income.

Based on U.S. Bureau of Census data, it is clear that in most cases, state governments collect the lion's share of tax revenues. Local government tax collections exceeded 50 percent of total state and local tax collections in only 7 states. Although most local governments collect the greater part of property tax revenues, most collect only a small portion of sales tax revenues, if at all. Only one state in the 2010 fiscal year collected a larger percentage of the total amount of sales taxes collected by state and local governments. Alaskan local governments collected 100 percent of the total sales tax revenues collected by state and local governments. Colorado local governments collected 59 percent. The local governments of 35 states collected less than 25 percent of total sales tax revenues levied by state and local governments. While Colorado local governments collected a high percentage of the tax revenues collected by state and local governments, correspondingly, the state government of Colorado proportionately collected one of the smallest proportions of sales tax revenues levied by state and local governments. In fiscal year 2010 the state was ranked 45th in the amount of sales taxes the state government collects per \$1,000 of personal income.

In terms of expenditures, rankings are one means of comparing the relative priority of the funding of various programs in Colorado to that of other states. Despite Colorado's low ranking for the amount of combined state and local revenues per \$1,000 of personal income, its *expenditures* per capita by state and local governments was ranked 20th (see Table III). Colorado ranked at the top of the list, 1st, for per capita spending on parks and recreation. Other per capita expenditures that were ranked comparatively high were expenditures on fire protection, corrections, and utility expenditures. Per capita funding for higher education was ranked 22nd in the nation and spending on elementary and secondary education per capita was ranked 33rd. Lowest among the relative rankings was the state's per capita expenditures on public welfare, which was ranked 49th. A notable change from past studies is that the state ranked among the lowest

states with regard to per capita expenditures on health for fiscal year 2001, yet ranked 16th during fiscal year 2010.

Changes in the Colorado Economy

According to the National Bureau of Economic Research, June 2009 was the trough of the recession caused by the U.S. housing market correction ending an eighteen month period of contraction. In December 2008, the Case-Shiller index showed a record 18 percent year-over-year decline in housing prices among 20 major cities. This was the longest recessionary period the nation has faced since the Great Depression. The recession was not isolated to the U.S.; the recession was global and affected the entire global economy. U.S. Bureau of Statistics data show that between December 2007 and early 2010, the national economy lost approximately 8.7 million jobs.

The state experienced many setbacks during the recession. Colorado Legislative Council historic data on the Colorado economy shows that between CY2008 and CY2009 the state lost 106,000 jobs, the unemployment rate increased from 4.9 percent to 7.7 percent, personal income was down 2.2 percent, wage and salary income was down 3.5 percent, and retail trade sales were down 11.3 percent. Recovery from the recession has been slow. Tightened lending standards, high unemployment, low wage growth, and the high level of negative equity has constrained consumer spending and business growth. Housing foreclosure filings in the state peaked at 46,394 in 2009 indicating the precarious economic conditions of households in the state. Foreclosures in the state jumped 40 percent between 2006 and 2007, from 28,435 to 39,920.

Data from the Department of Labor, Bureau of Labor Statistics shows that non-farm job losses in Colorado peaked in mid-2009. Since early 2010, Colorado has gradually made small increases in jobs gained, with months of losses interspersed periodically. The peak month for job losses in Colorado was April 2009, with 18,900 jobs lost. Further, mass layoff events in Colorado reached an annual total of 188 in 2009, the highest number of layoffs recorded in Colorado since 1996 when BLS began collecting this series of data; this represents

Table III. Ranking of Colorado State and Local Government Expenditures and Revenues, Fiscal Year 2010

EXPENDITURES (Per Capita)	Colorado's Rank Among the States	REVENUES (Per \$1,000 Personal Income*)	Colorado's Rank Among the States
Total State and Local Government Expenditures	20	Total Revenues	41
Current Operations	26	From Federal Government	49
Capital Outlay	16	Total (State and Local) Tax Collections	31
Education	36	State Tax Collections	48
Higher Education	22	Local Tax Collections	3
Elementary and Secondary Education	33	Property Taxes	16
Public Welfare	49	Sales and Gross Receipts (State and Local)	37
Hospitals	25	Income Taxes	31
Health	16	Current Charges	18
Highways	32	Interest Earnings	14
Police Protection	16		
Fire	1		
Corrections	12		
Parks and Recreation	1		
Sewerage	16		
Interest on General Debt	6		
Salaries and Wages	17		
Utility Expenditures	11		

Sources: U.S. Department of Commerce, Bureau of Census. State and Local Government Finances. U.S. Department of Commerce, Bureau of Economic Analysis. Regional GDP and Personal Income data.

a 102 percent increase from the prior year in 2008. In 2010 Colorado saw 153 mass layoff events, the second highest year in the recorded history of the series.

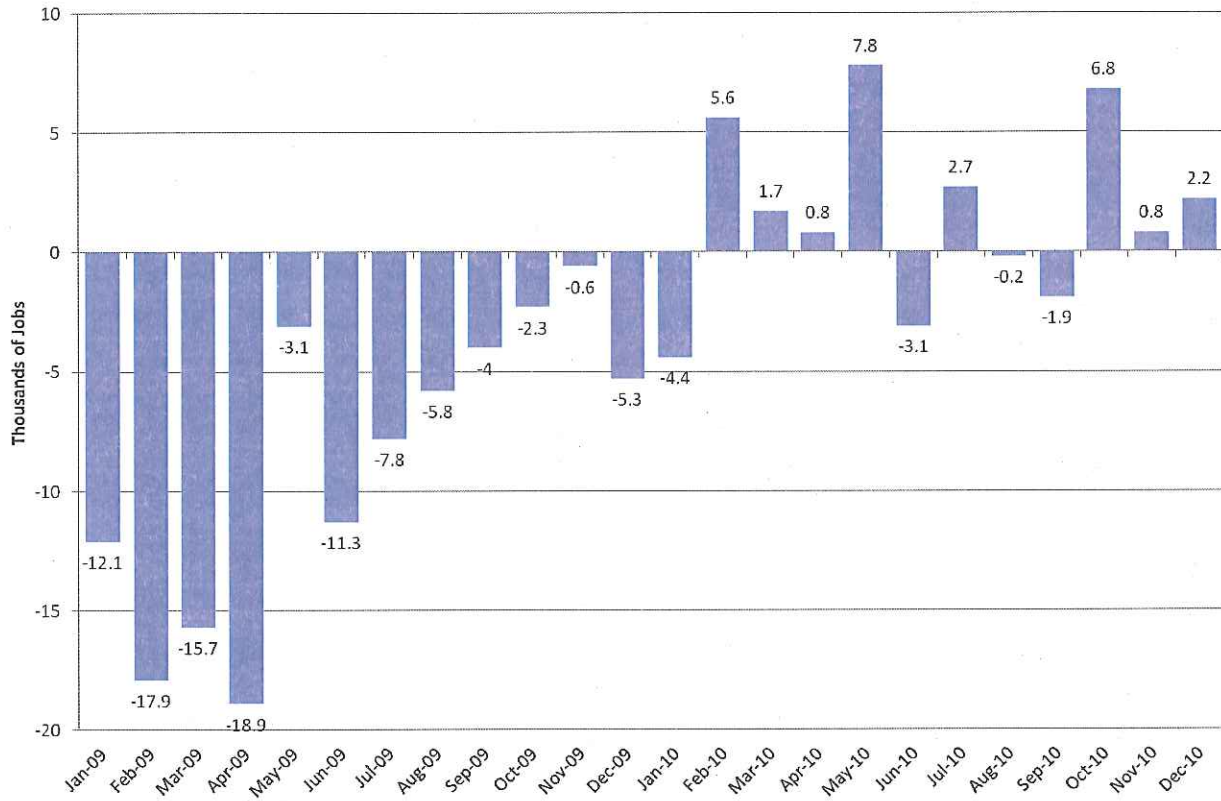
During the time period of this study, the labor market has shown some signs of recovery--the top month for job gains was May 2010 with approximately 7,800 jobs gained. Chart 2 displays the job losses and gains in Colorado in thousands of jobs each month from January 2009 through December 2011 for historical context.

The Federal Reserve has developed a monthly state coincident index which measures the condition of each state's economy based on employment, unemployment, and wage data, and the number of manufacturing hours worked. The index usually tracks with state GDP growth over time. This coincident index shows that Colorado's economic activity decreased 8.69 percent between the peak of economic activity in January 2008 and the lowest point in January 2010.

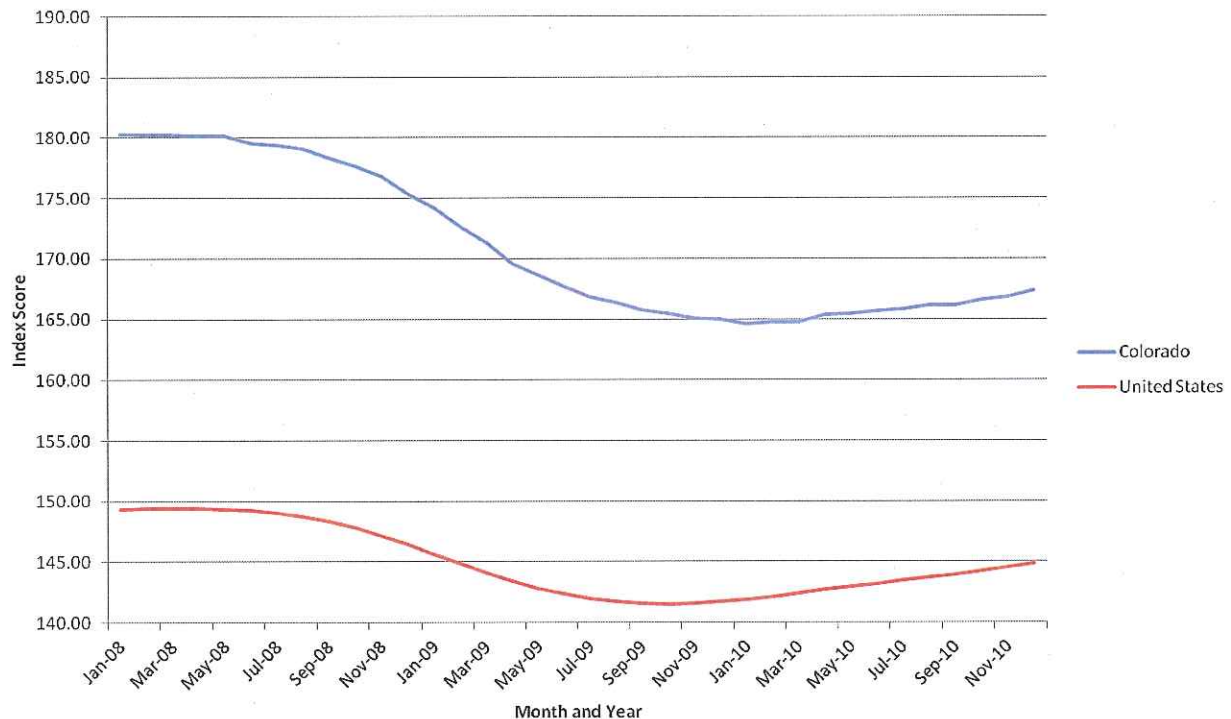
Chart 3 below compares the Colorado coincident index to the U.S.; the chart shows that Colorado's 2008/2009 recessionary trough lags slightly behind the same for the United States. The decline in activity in Colorado was more pronounced, decreasing an average 8.7 percent compared to the overall United States average decrease of nearly 5 percent over the same two year period. Colorado experienced the most drastic year-over-year decrease in July 2009, when the index was over 7 percent lower than it was in July 2008. This is the most severe decrease in the history of this index for Colorado, which has been tracked since 1980, and is representative of the depth and breadth of the impact of the 2008/2009 recession.

During the period covered by this study, Colorado was reeling from the effects of a particularly profound recession after a period of growth and prosperity, and the reader is reminded that due to the unique nature of the economic context during which this study was completed, the results of

**Chart 2. Colorado Monthly Job Changes
Jan 2009 to Dec 2011 (Thousands of Jobs Gained or Lost)**



**Chart 3. Historical Tracking of the Colorado Coincident Index
Compared To United States Jan 2008 through Dec 2010**



future studies may differ as the recovery continues and economic conditions adjust.

Changes in Tax Collections

During the period covered by this study, state tax collections were significantly affected by the 2008/2009 recession. Between 2001 and 2010, U.S. Bureau of Census data show that after recovering from the recession that ended in November 2001, state and local government tax collections increased at a fairly strong pace from FY2004 to FY2008. However, state collections, in particular, decreased by nearly 10 percent in FY2009 and continued to decrease an additional 1 percent in FY2010. The impact of mass layoffs and the negative adjustments in the stock market adversely affected households in the state, significantly lowering the amount of income available to Colorado households. Evidence of these economic shocks is reflected in the dramatic decrease in state tax collections. Given that the property tax comprises the majority of local government tax collections and that there is a lag in the valuation of the residential housing stock and assessed values, the decrease in local government collections are not as evident during the period covered by this study.

Income Taxes

A direct comparison of FY2001 income tax revenues to FY2010, as reported in the Department of Revenue's publication, Statistics of Income (SOI) shows that income tax revenues were 7 percent greater in FY2010. This increase over a nine-year period amounts to less than 1 percent annually. Between FY2001 and FY2010, the Denver-Boulder CPI which measures inflation increased 20 percent. The SOI report also shows that the number of taxpayers in the state increased at a much slower pace between 2001 and 2010 when compared to the previous study period. Whereas the number of households had increased by nearly 24 percent over the seven years between the two previous studies, the number of households only grew by 14 percent over the nine years between the 2001 and 2010 study. Effects of the recession can be seen in the decrease in capital gains and business income which decreased by 58 percent and 9 percent, respectively while wage income increased by 29 percent--an

annual increase of approximately 3 percent. As may be expected with those shifts, capital gains made up a smaller percentage of income, from 10.9 percent in the 2001 study to 3.8 percent in the 2010 study while wage income made up a greater percentage of income in FY2010—72.4 percent as opposed to 66.9 percent in FY2001. Pension income grew the fastest to \$13.8 billion in 2010, at an annual rate of 6.3 percent, or 73 percent in total. In FY2010, pension income made up 10.8 percent of income compared to 7.4 percent in the 2001 study.

Sales Taxes

The Colorado Department of Revenue's Annual Report shows that net sales and use tax collections between the last profile study for FY2001 and FY2010, increased 14.8 percent or at an average annual rate of 1.5 percent. This is in comparison to the average annual increase of 8.5 percent between the previous study periods, FY1994 through FY 2001. In the intervening years between the FY2001 and FY2010 profile studies, the state has been through two recessions. The effect of the economic cycles can be seen in the fact that in three out of the nine fiscal years between the two studies, sales tax revenues declined from the previous year. These years included FY2002, FY2003, and FY2010.

At the national level, an examination of retail trade sales data show that businesses classified as motor vehicle and parts dealers suffered a 14.6 percentage point decrease in sales between 2007 and 2008. In 2009, this sector accounted for the largest proportion or 16.5 percent of retail trade sales. Although the Car Allowance Rebate System (CARS, also colloquially known as "cash for clunkers") program went into effect on July 1, 2009, calendar year sales did not increase appreciably until 2010. The 3 next largest sectors: general merchandise stores, food and beverage stores, and food services and drinking places, respectively, also suffered losses in sales between 2007 and 2009; however, the losses were moderate—the largest single year percentage decrease among the three was 3.75. Gasoline stations took the biggest loss in retail sales, 32.5 percent, between 2008 and 2009.

Similar to national trends, Colorado's motor vehicle and parts dealers suffered a 20.7 percent loss in

retails sales between 2007 and 2008. However, in Colorado the motor vehicle and parts sector is the 3rd largest sector among the retail trade and food services group, and made up 15 percent of the retail trade and food service sales sectors in 2009. The largest sector among the Colorado retail trade and food services group, food and beverage stores, suffered a greater loss, 9.83 percent in 2009 in Colorado compared to the more moderate loss of 3.7 percent, at the national level. Sales of gasoline stations in the state mirrored those at the national level--sales dropped in 2009 by 41 percent.

Property Taxes

According to data published by the Division of Property Taxation in the Department of Local Affairs, between CY2000 and CY2009 the assessed value of residential property increased at an average annual rate of 10.4 percent. In total, the assessed value of residential property in CY2009 was approximately 2.4 times larger than it was in CY2000. The combined effects of the spending limit and Gallagher constitutional amendments muted the rising housing values on property tax revenues. Property tax revenues to local governments increased over the same period at an average annual rate of a little over 7 percent or 84 percent over the 9-year period. Housing stock increased 14 percent. The spending limit amendment, Section 20 of Article X in the state constitution, prohibits the collection of annual revenues by government entities that exceed the amount collected in the previous year adjusted for the growth in population and the consumer price index. The Gallagher amendment froze the non-residential assessment rate to 21 percent allowing the residential assessment rate to float to maintain a consistent ratio between total statewide assessed values of residential and non-residential property. The residential assessment rate for CY2009 was 7.96 percent whereas during the CY2000, the assessment rate was 9.74 percent and the average mill levy decreased from 75.733 mills in CY2000 to 69.761 mills in CY 2009.

Specific Ownership Taxes

Specific ownership taxes, which can be likened to a property tax on the taxable value of vehicles, increased 9 percent over the 9-year period between

the two studies. This revenue source for local governments increased from \$399 million in CY 2000 to \$436 million in CY 2009. The amount of specific ownership taxes collected by local governments is based on the taxable value of vehicles registered in the various counties throughout the state. Given that the number of vehicles registered in the state increased by nearly 19 percent, the slower increase in the collection of specific ownership tax revenues implies that the value of vehicles registered in the state had decreased over that time period. This decrease makes sense in light of the 2008/2009 recession and the significant drop in vehicle sales seen in 2008 and 2009. When households buy fewer new cars, the average value of the vehicles registered in the state decreases, resulting in a slower rate of increase in specific ownership tax revenues.

Revenues, Taxes, Incidence, and Equity

The focus of this study is an examination of the structure of the distribution of the taxes paid by Colorado citizens to their state and local governments. In other words, what group(s) of households, by income class, pay the greatest and the least amounts and proportion of taxes. In this chapter, estimates of the total amount of taxes paid to state and local governments by resident households will be examined. Only those taxes paid directly by Colorado resident households to state and local governments will be examined in this study. In the next chapter, the distribution of the payment of these direct taxes among households with different income levels will be addressed.

Taxes and Tax Incidence

Taxes, for purposes of this study, are revenues collected by Colorado's state and local governments from individuals or businesses. Charges by government entities for services, such as tuition at state colleges or universities or charges to riders of local transit systems are excluded. Licenses and fees for activities such as those for driver's licenses and vehicle registrations (fees that are paid by the majority of residents) are included.

Taxes are levied on both individuals/households and businesses. Taxes are paid directly to governments or, in the case of sales taxes or income tax withholding, to sellers or employers who in turn remit the taxes they have collected to the government. The purpose of taxation is to provide government with the resources, in this case—income, needed to provide public goods and services. This income would otherwise be available to private citizens and to businesses to meet the needs of customers and equity holders. This study will examine the distribution of the payment of taxes by Colorado residents by income class. In other words, this study will look at the “incidence” of taxation in Colorado during the state fiscal year beginning July 1, 2009 through June 30, 2010. Since businesses are only intermediaries between suppliers of the factors of production, such as labor and capital, and consumers who purchase final products or services, it is ultimately individuals as consumers and the suppliers of resources who bear the burden of taxes levied on businesses. Given the complexity of the makeup of businesses and the lack of data that can unravel how each business shifts their tax liability, this study focuses only on the direct state and local taxes paid by Colorado residents.

State and local governments receive funds from a number of sources including transfers from the Federal government, charges for services, and taxes. The revenues examined in this study are only those that are collected as a result of a direct tax upon Colorado residents.

State Tax Collections

The U.S. Census Bureau reported that the state of Colorado received \$39.5 billion in revenues in fiscal year 2010. Over 8 percent of those revenues, \$11.7 billion was from intergovernmental revenues and another \$3 billion from other miscellaneous revenues, not attributable to tax collections, and are, therefore, excluded from this report. State tax revenues solely from businesses such as the corporate income tax and unemployment trust fund revenues were not included in this study as they are not direct taxes on individuals. Additionally, some taxes collected by the state from individuals

were excluded as well. For example, gaming taxes and pari-mutuel taxes are considered levies on voluntary activities and therefore were excluded. Further adjustments to the amount of taxes collected by the state were necessary to arrive at the amount of taxes actually paid by residents. The individual income tax was adjusted to reflect the tax liability of full year residents for calendar year 2009 rather than the amount of income taxes collected by the state during fiscal year 2010. Income tax revenues collected in fiscal year 2010 are a mixture of final payments and refunds for the income tax liability of calendar year 2009 and the withholding and estimated payments for the liability of individuals in calendar year 2010. To isolate a single liability period, the amount of income taxes paid, for purposes of this tax study is the liability reported for calendar year 2009. Collections on behalf of the state from individuals filing part-year and non-resident income tax returns were not included in this study.

Businesses pay a portion of sales and excise taxes as well as vehicle registrations. This study utilizes information from the U.S. Bureau of Labor Statistics’ Consumer Expenditure Survey to determine only the amount of vehicle registrations, sales and excise taxes paid by households.

Local Tax Collections

According to the U.S. Census Bureau, local government entities in Colorado reported receiving \$29.1 billion in revenues in fiscal year 2010. Of this amount more than \$7 billion were intergovernmental transfers from the state and federal government and another \$6.7 billion were from miscellaneous sources such as charges for education, hospitals, and the provision of sewerage services, as well as interest earnings. Total taxes collected by local governments for the year was \$11.9 billion. This figure includes taxes paid to counties, municipalities, school districts, and special districts. Special districts as the term is used here includes local improvement and service districts administered by cities or counties which levy property and/or sales taxes. Special districts not included in the Census Bureau’s report are multi-jurisdictional quasi-governmental entities such as

the Regional Transportation District and Scientific and Cultural Facilities District. The sales taxes collected for these types of special districts were also included in this tax profile study. As with the sales and excise taxes levied by state government, businesses also pay sales and specific ownership taxes to local governments. The expenditure survey mentioned above was used to determine only the portion of sales and specific ownership taxes paid by households to local governments. In conjunction with information from the Colorado Division of Local Governments' Annual Report on Property Taxation, data from the U.S. Census Bureau's 2009 American Community Survey and a study by the Northwest Colorado Council of Governments (NWCCOG) on second home owners was used to estimate the amount of property taxes paid solely by resident households in the state.

Tax Equity

The issue of tax equity, or more simply, who should pay taxes and how much they should pay, is a difficult issue to resolve. The decision ultimately depends on the values of society. A fair system of taxation to some would be one in which every person would spend the same proportion of their income on taxes; tax burdens would therefore be proportional. Another version of a fair tax system might focus on a taxpayer's "ability to pay." Proponents of this concept would argue that the wealthiest, who have the greatest accumulation of income/wealth and therefore have the greatest "ability to pay" for the goods and services provided by state and local governments, should bear the greatest burden of taxes. Taxes in this case would function as a tool to reduce the differences in income among households. The proponents of this viewpoint favor progressive tax structures. The federal and many state income taxes fall under this philosophy of taxation. Tax fairness to others is a tax based on use—persons should be taxed according to the amount of benefits they receive from government services.

Colorado's gasoline excise tax is a good example of a use tax. Taxpayers pay for roads and highways in accordance with the amount of gas or motor fuel they consume. Gallons of motor fuels consumed

by motorists serve as proxies for highway usage. State gas excise tax revenues, after accounting for highway-related administrative expenses, are spent solely on building, improving, or maintaining highways. Similarly, revenues from motor vehicle registrations go towards the construction and maintenance of highways. Those who do not own or drive cars, or do not use transportation services do not pay, at least not to the extent that those using the services do, for the use of state roads and highways. However, for governments to charge user fees, it is requisite not only to know the monetary value of the services they are offering but also how to measure and assess the charges for those services. For instance, the EPA is charged with the responsibility of safeguarding the environment—yet what is the price of clean air and who should be charged and how should they be charged? Additionally, user charges are typically associated with the consumption of tangible goods rather than services. Excise taxes are charged on gallons of gasoline, the number of cigarettes in a package, and gallons/liters of spirits, wine, and beer. The types of products that are customarily subject to excise taxes are items for which the amounts consumed do not vary widely among income groups. And since excise taxes are usually based on quantity consumed, and usage does not typically increase as incomes increase, user charges typically result in a regressive distribution of the tax burden. In other words, income for households in the lowest income groups is subject to a larger percentage of user charges compared to households in the upper income groups. The gasoline excise taxes and the cigarette taxes are good examples of this tendency. In this study, households in the lowest income category pay the highest percentage of their incomes towards taxes for these goods. Gasoline and cigarette excise taxes constitute a smaller proportion of adjusted money income as income increases.

Other concepts of tax equity include horizontal versus vertical equity. Horizontal equity indicates that households of equal means pay an equal amount of taxes whereas vertical equity pertains to the manner in which tax burdens are distributed among households of different income classes.

Discussions of vertical equity often involve the concepts of proportional vs. progressive or regressive taxation. In essence, will the proportion of taxes to income be the greatest among families in the highest income groups, families in the lowest income groups, or will taxes as a proportion of income be evenly distributed among all families? Horizontal equity occurs when households earning the same amount of income pay the same amount of taxes. Discussions of horizontal equity typically involve questions concerning the use of tax incentives or penalties for specific taxpayer behavior. The federal government allows certain expenses to be deducted from taxable income thereby lowering the amount of taxes owed by households with targeted expenses. Medical expenses greater than 7.5 percent of adjusted gross income (AGI), and the interest portion of a home mortgage are examples of qualified deductible expenses. The federal government also offers tax credits to families with child or dependent care expenses. The various rules that allow certain types of spending to qualify as deductions to taxable income and the credits proffered to reduce tax liabilities produce a myriad of exceptions that preclude horizontal equity among the corporations and individuals that pay income taxes.

Governments may also use taxes as a tool to rectify market failures such as negative or positive externalities. Externalities occur when the purchase price of a good does not fully reflect the costs or benefits of consumption of that good to society. For an example of a negative externality, cigarette use has been proven to increase the chance of cancer in individuals. Some states, in an effort to pay for the higher costs of medical care that result from the use of cigarettes and to curtail cigarette smoking in order to avoid future additional medical care costs, impose a steep excise tax on cigarettes. New York City has the highest excise tax rate at \$5.85 per pack of 20 cigarettes.

Just as taxes can be used to curtail certain types of consumption, tax credits or deductible allowances can be used, at the cost of horizontal equity, to induce or subsidize certain types of behavior. For example, several government entities in Colorado have determined that open space/undeveloped

land is beneficial to individuals in communities. However, the cost of keeping land undeveloped is typically borne only by the landowner. Some governments have endeavored to ameliorate the lopsided burden by assessing additional sales taxes to purchase open space or, as in the case of the state, have offered tax credits to landowners that donate their land as conservation easements. Both methods achieve similar results: recipients of the benefits pay a share of the costs of keeping the land undeveloped.

Because of the various strategies involving taxation/non-taxation, assessing the equity of the distribution of the burden of taxes is very complex. Taxes must be examined individually regarding the intention or objective of the tax; whether the objectives are being met; and finally, the burden of the combined taxes need to be examined to determine whether a group of taxpayers are being inadvertently and/or unjustifiably burdened by taxes.

Given the subjective quality of determining tax equity, it is the goal of this study only to provide the tools for citizens and policy makers to make informed decisions regarding the structure of major state and local taxes. The following chapter examines the vertical equity of the distribution of state and local tax burdens on households of various income classes. This requires an analysis of not only how much is paid nominally by each income group, but also the amount each group pays proportionally; the average amount of state and local taxes paid by each group; and the percent of income each group paid to state and local governments.

The Distribution of State and Local Taxes Among Households

This chapter covers the distribution of the state and local tax burden on Colorado residents by level of income. It examines the amount of taxes paid by each income class. Income classes range from households that receive under \$10,000 of annual income to households that receive over \$100,000 of annual income. The income concept this chapter is based on is Adjusted Money Income. This income

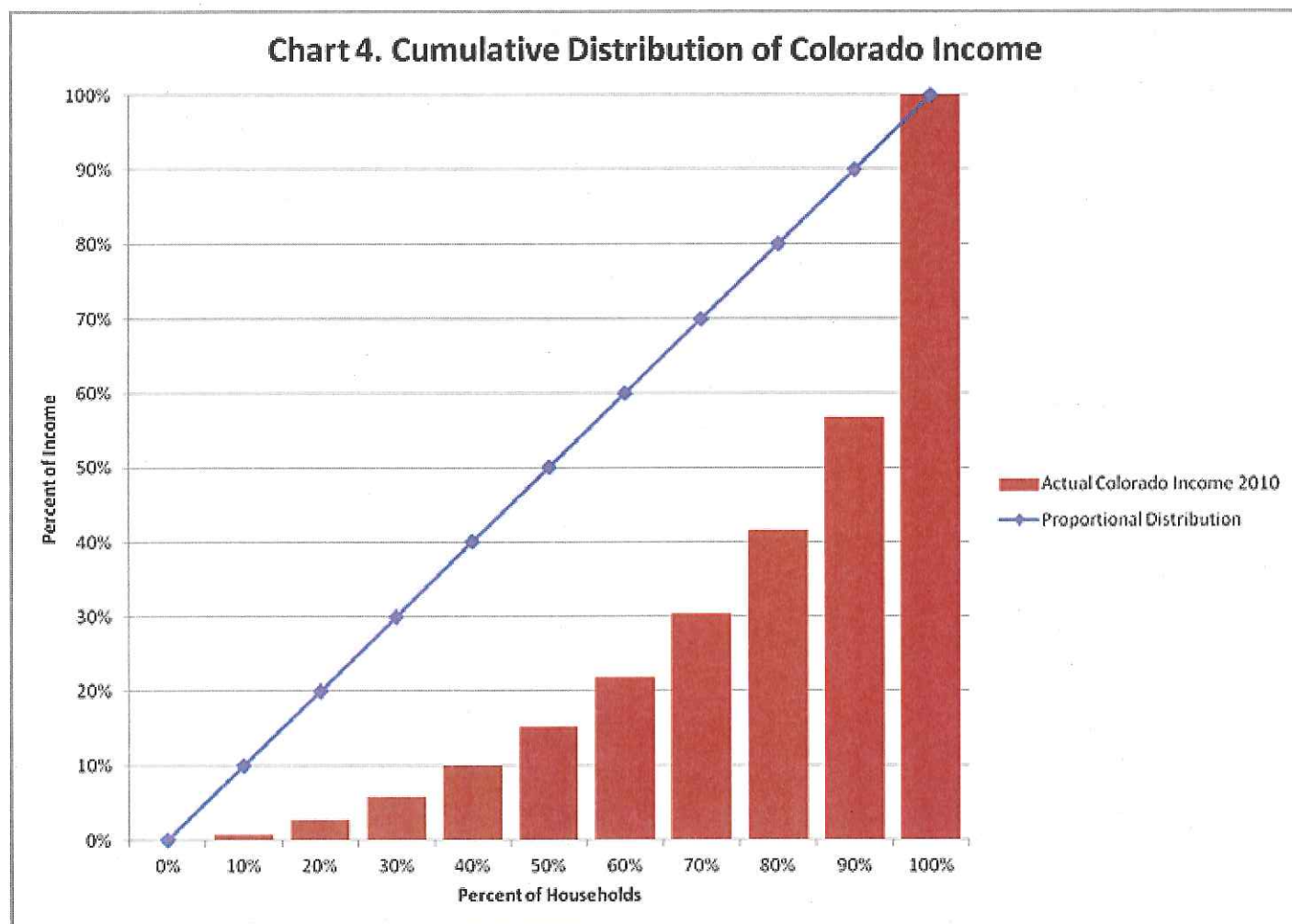
concept is broadly based. It includes income earned from wages and profits of businesses, persons, and farmers along with earnings from savings or investments such as dividends, rent or interest. Capital gains from the sales of assets are also included. Transfer payments (such as public assistance with the exception of in-kind services such as public housing), pension and retirement income, and alimony are also included in Adjusted Money Income.

The earning, spending and tax paying unit analyzed in this study is the household, which consists of all persons who occupy a house, an apartment or other housing unit. Households include families along with groups of one or more unrelated individuals.

Distribution of Income

Chart 4 shows the cumulative distribution of income and households in Colorado. The bars of the graph show the share of households in

Colorado (the horizontal axis) receiving a given share of income (the vertical axis). For example, the chart shows that 30 percent of the households in the state with the lowest incomes received a little less than 6 percent of all income. The straight line connecting the corners of the chart represents an equal distribution of income. The area between the bars and the diagonal line show how the actual distribution of income deviates from a proportional distribution of income. The greater the divergence in the two lines, the greater the inequality of income. Reports by the Department of Commerce's Bureau of Economic Analysis show that over the nine year period between the two profile studies (from 2001 to 2010), personal income in Colorado increased from \$156.5 billion to \$212.5 billion, a 35.8 percent increase. In the 2001 profile study approximately 14 percent of the households with the greatest incomes held a little over 49 percent of the income; in the 2010 study, the wealthiest 14 percent received 50 percent of the income in the state. The disparity in the distribution of income among residents is



illustrated by a comparison of the sum of income of households earning less than \$65,000 to those in the highest income group. The sum of the income of the 70 percent of households in the state who earned less than \$65,000 was \$17.5 billion less than the income of the top 10 percent of the households in the state with the highest incomes.

Due to inflation, income tends to rise over time. As a result, there are fewer households in the lower income categories than in the 2001 study as inflation has gradually moved households out of the lower nominal categories. In the 2001 study, less than 27 percent of the households in the state received less than \$20,000 in income in comparison to 35 percent in the 1994 study. Fiscal year 2010 data shows that roughly 24 percent of households earned less than \$20,000. However, these comparisons are based on nominal categories of income and do not account for inflation. With an inflation adjustment of 17.18 percent (calculated using the Denver-Boulder-Greeley CPI) between 2001 and 2010, the median household income in 2001 of roughly \$33,750 would represent \$39,550 in 2010 dollars. This is just slightly below the actual 2010 median income of \$39,736, which demonstrates that Colorado households were barely keeping up with inflation during the period in question. Chart 5 displays another view of the distribution of income, showing that the top 20 percent of earners generally captured the majority of the income. However, it also shows that in the time period between 2001 and 2010 even more of that income has moved into the top 10 percent of households and out of the lower categories, concentrating income even further toward the top of the distribution.

For further historical perspective, chart 6 provides a comparison of the distribution of households compared to the distribution of income during the 10 year period from 2001 through 2010. Chart 6 shows a gradual shrinking of the number of households in lower income classes which is consistent with what would be expected due to inflation. As inflation drives up the price of goods and wages, families move through the nominal income categories toward higher levels. Chart 6 also shows that there is a significant decrease of income concentrated in the \$50,000 to \$80,000 category over

time. The proportion of income for households earning over \$80,000 grew in the years before the 2008/2009 recession, from approximately 50 percent to nearly 68 percent from 2003 to 2008. The effects of the recession decreased the proportion of income for households in this category to 61 percent, a decrease of 7.3 percent from the year before.

Nominal Taxes Paid by Households

Table IV shows the estimated amount of state and local taxes paid by Colorado residents by income class. The table is categorized into ten major income classes. The income groups used in this profile study are the same as the income groups used in the Bureau of Labor Statistics Consumer Expenditure Survey (CES). The data in the table show an estimate of the amount of state and local taxes paid by each group. These data show that the largest amount of taxes paid by households in the lowest income groups were for property and consumption taxes. The single largest tax burden on families with less than \$40,000 in income was property taxes levied by local governments, including special districts, cities, and counties. These households that earned less than \$40,000 numbered 966,602 or nearly 48 percent of the households in the state. Together, they paid \$687.2 million in property taxes to local government entities. In contrast to the 2001 study, the amount of sales taxes levied for both state and local governments no longer accounted for the largest amount of taxes paid by families with incomes less than \$40,000; property taxes account for the largest amount for most income classes. The largest nominal amount of taxes paid to a single source by households with incomes equal to or greater than \$40,000 was state income taxes. These households, which numbered a little over 1 million, paid \$3.4 billion in state income taxes. Property tax was the second largest payment made by households with incomes greater than \$40,000. As with previous studies, households in the highest income category nominally paid the largest amount of taxes in all categories, including cigarette and tobacco excise taxes for the first time. The group of households that earned over \$100,000 consisted of the greatest number of households at 356,509 (nearly 18 percent of households), while the group that earned \$20,000 to \$29,999 had the second

Chart 5. Comparison of 2000 to 2010 Distribution of Income

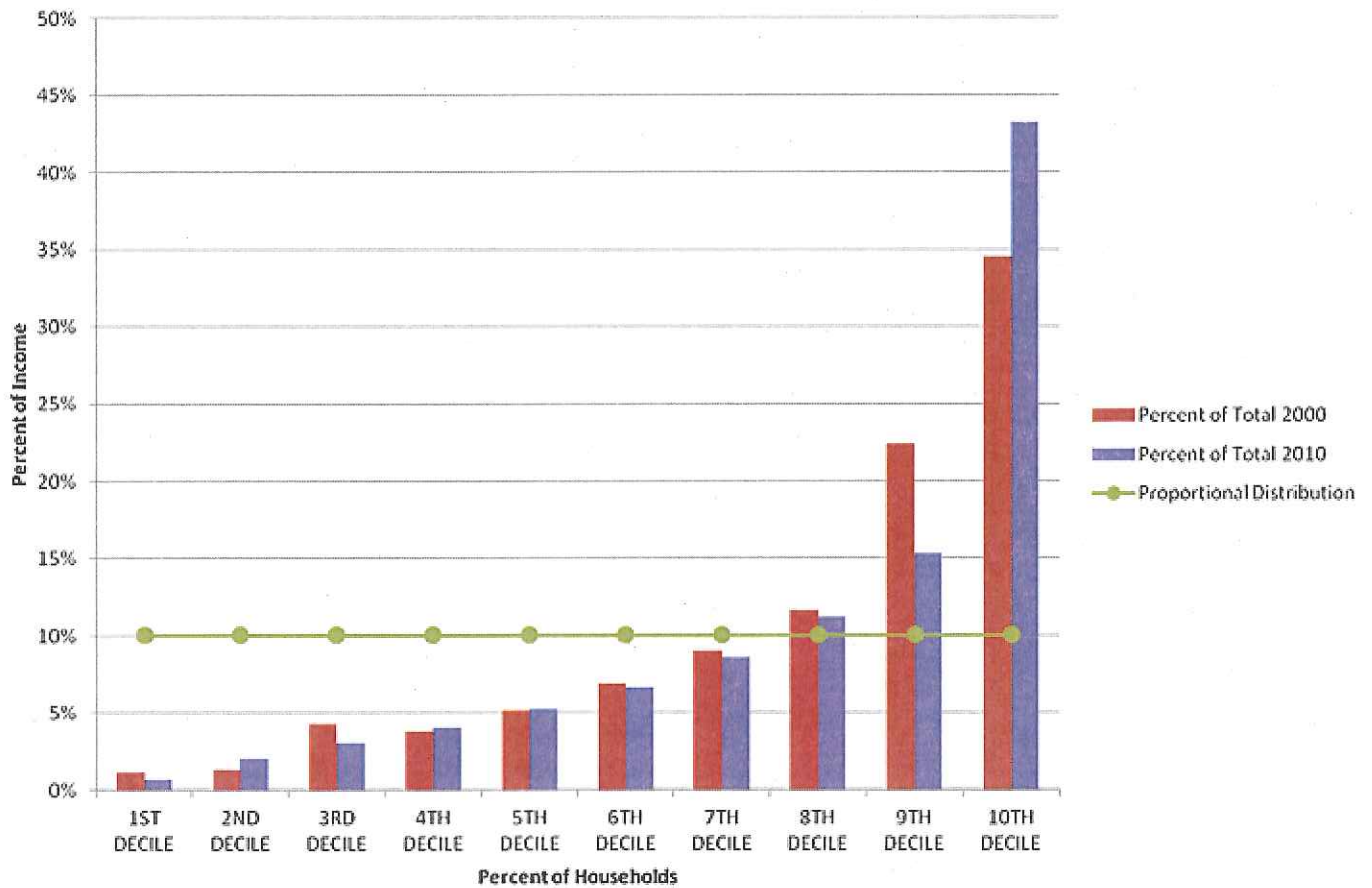
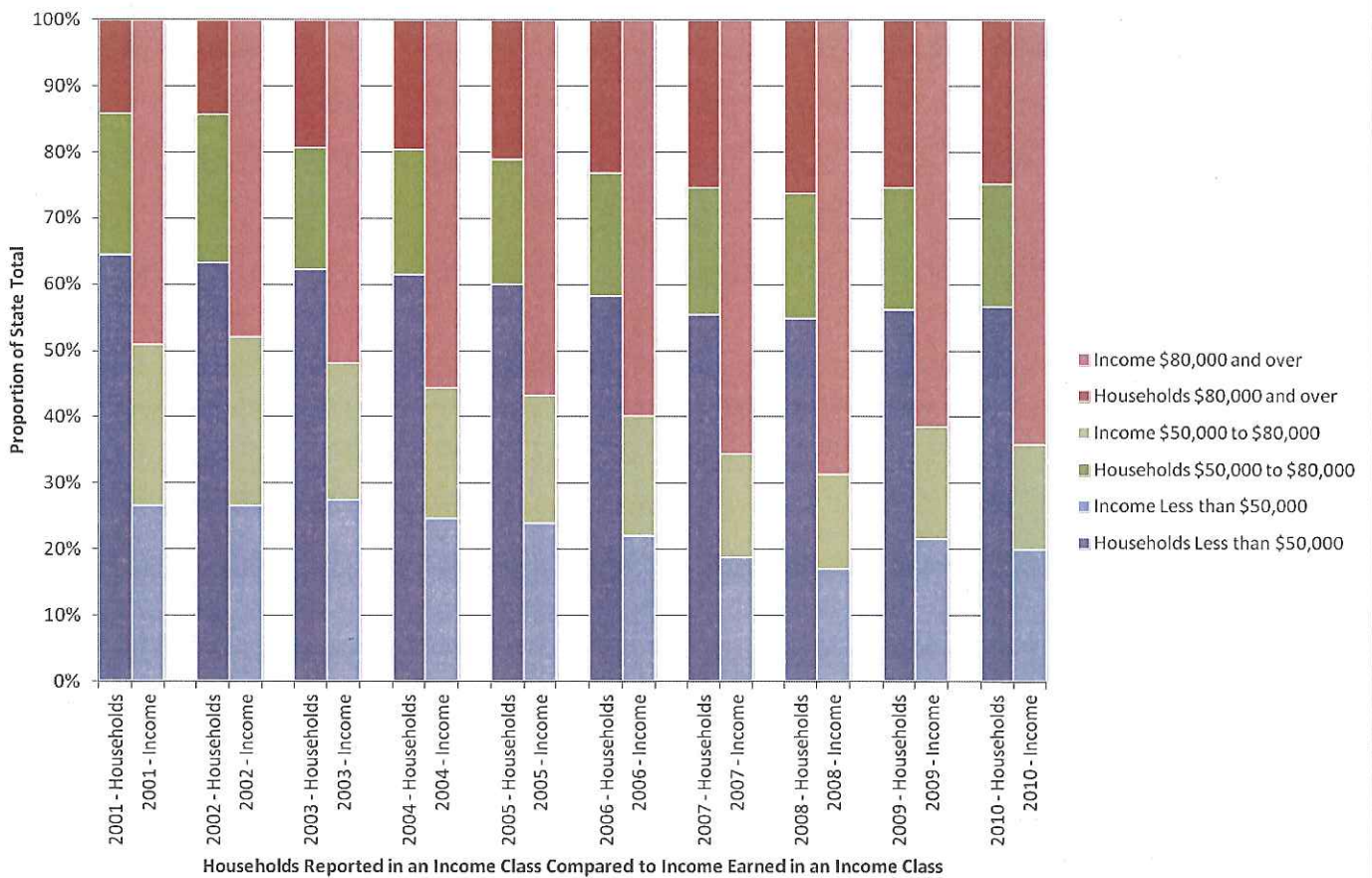


Chart 6. Comparison of Proportion of Households to Family Income



**Table IV. Distribution of Major State and Local Taxes by Adjusted Money Income
Fiscal Year 2010**

(Dollars in thousands)

	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$19,999	\$20,000 to \$29,999	\$30,000 to \$39,999	\$40,000 to \$49,999	\$50,000 to \$69,999	\$70,000 to \$79,999	\$80,000 to \$100,000	\$100,000 and over	Total
Number of Families	141,660	133,056	145,864	290,185	255,837	178,097	263,266	104,663	144,085	356,509	2,013,222
Adjusted Money Income	\$1,102,026	\$1,716,687	\$2,634,024	\$7,298,928	\$9,005,180	\$8,024,832	\$15,734,795	\$7,852,427	\$12,864,824	\$73,370,445	139,604,166
State Taxes on Households											
Individual Income	\$5,713	\$11,517	\$26,145	\$106,563	\$172,016	\$175,219	\$376,072	\$203,814	\$367,965	\$2,239,286	\$3,684,310
Sales	22,178	24,918	27,840	72,534	83,125	61,919	118,169	56,991	90,690	390,803	949,165
Gasoline and Special Fuels	7,627	8,925	12,310	31,771	32,888	26,648	45,482	19,824	29,896	105,431	320,803
Licenses and Registrations	7,520	7,537	11,463	25,087	29,181	25,308	40,751	18,370	29,502	88,925	283,644
Alcoholic Beverages	458	413	324	1,203	1,497	1,015	2,382	1,417	1,728	10,681	21,118
Cigarettes and Tobacco	6,587	7,822	9,917	24,699	20,324	13,276	22,877	9,563	11,329	31,614	158,009
Total State Taxes	\$50,083	\$61,133	\$88,001	\$261,857	\$339,031	\$303,385	\$605,732	\$309,978	\$531,109	\$2,866,739	\$5,417,049
Local Taxes on Households											
Residential Property	\$48,783	\$50,899	\$99,686	\$247,472	\$240,370	\$185,326	\$428,587	\$179,387	\$271,930	\$1,102,947	\$2,855,389
Sales and Use	34,819	39,121	43,710	113,880	130,508	97,214	185,527	89,477	142,385	613,569	1,490,210
Specific Ownership	6,019	9,207	12,416	28,956	30,201	24,235	42,045	18,051	28,686	100,018	299,835
Occupation	341	626	972	2,971	3,919	3,630	7,136	3,646	6,290	22,976	52,507
Local Taxes	\$89,962	\$99,853	\$156,785	\$393,280	\$404,999	\$310,405	\$663,295	\$290,562	\$449,291	\$1,839,510	\$4,697,941
Total State and Local Taxes	\$140,045	\$160,985	\$244,785	\$655,137	\$744,030	\$613,790	\$1,269,027	\$600,540	\$980,400	\$4,706,249	\$10,114,989

highest concentration of households at 290,185 (about 14 percent of households).

Taxes on consumption levied by both state and local governments, including sales taxes, excise taxes on gas, cigarettes, and alcohol, accounted for about 35 percent of total taxes paid by households in the income groupings under \$20,000. In contrast, taxes on consumption accounted for less than 22 percent of taxes paid by the highest income class. The largest nominal burden on families in the highest income class was the state income tax, followed by property taxes.

Proportion of Taxes Paid by Households by Income Class

Because the CES income classes do not divide households into equal groups, it is difficult to determine, using the nominal distribution, if an income group is paying a proportion of taxes equal to the proportion of households they represent or in proportion to their income. A comparison of the proportion of each tax paid with the proportion of income received by households in each group (shown in Table V) provides some insight on the vertical distribution of the tax burden levied by state and local governments. As in past studies, households in the highest income group, which accounted for 17.7 percent of resident households in the state, accumulated the largest portion of adjusted money income, 52.6 percent. Not surprisingly, given the proportion of income acquired by the highest income group, it paid the largest share of combined state and local taxes, 46.3 percent. This group also paid the largest proportion of taxes in each category of state and local taxes. The distribution of state taxes paid by households is nearly proportional. While the bulk of state taxes were paid by those households in the highest income category, the lowest income groups paid a higher proportion toward state taxes than the proportion of income they earned.

In this study, only the households in the highest income category paid a lesser proportion of state and local taxes combined than the income they received, with households in the \$100,000 and over category paying 46.3 percent of the taxes while earning 52.6 percent of the income. This pattern

appears to be a continuation of the previous study period, where the overall state and local tax burden is regressive.

Proportionality Index

To facilitate the analysis of vertical equity among income groups, Table VI presents an index of the distribution of taxes paid by households as a proportion of the share of income received. The closer the index is to 1, the closer the share of taxes paid by an income group is to the share of income they received. A number less than 1 shows that households in a group paid less in taxes than their share of income earned by households statewide. And, accordingly, a number greater than 1 indicates that the income group paid a greater share of taxes than the share of income they received.

The state taxes levied are somewhat progressive, with many in the lower and middle income groupings paying less in state taxes than their proportion of income. On the other hand, the local taxes as a proportion of income tend to be much more regressive, with every income group except for the highest paying a larger proportion of the tax than the income earned.

When combined with local taxes, the overall state and local tax burden was regressive although the more progressive state burden blunted the regressivity of taxes imposed by cities, counties, and special districts. The index number decreased steadily as household income increased. The lowest index number, 0.88, was for households in the highest income group, whereas the highest index number, 2.46 was for households whose incomes were less than \$10,000.

Average Household Income and Taxes

The average adjusted money income of households in Colorado, as shown in Table VII, was \$69,344. Median income, which shows the income amount wherein half of the residents received more income and half received less, was \$39,736. Similarly, with income groups divided into \$10,000 increments, the income group with the most number of households was that which included residents who earned between \$20,000 and \$30,000. Clearly, the median of \$39,736 and mode of \$20-30,000 more realistically

Table V. Proportion of State and Local Taxes Paid by Residents by Adjusted Money Income Classes, Fiscal Year 2010

	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$19,999	\$20,000 to \$29,999	\$30,000 to \$39,999	\$40,000 to \$49,999	\$50,000 to \$69,999	\$70,000 to \$79,999	\$80,000 to \$100,000	\$100,000 and over	Total
Number of Families	7.0%	6.6%	7.2%	14.4%	12.7%	8.8%	13.1%	5.2%	7.2%	17.7%	100.0%
Adjusted Money Income	0.8%	1.2%	1.9%	5.2%	6.5%	5.7%	11.3%	5.6%	9.2%	52.6%	100.0%
State Taxes on Households:											
Individual Income	0.2%	0.3%	0.7%	3.0%	4.8%	4.9%	10.5%	5.6%	10.1%	60.0%	100.0%
Sales	2.4%	2.7%	3.0%	7.6%	8.7%	6.4%	12.3%	5.9%	9.2%	41.9%	100.0%
Gasoline and Special Fuels	2.5%	3.0%	4.0%	10.3%	10.6%	8.5%	14.6%	6.3%	9.4%	30.8%	100.0%
Licenses and Registrations	2.6%	2.6%	4.0%	8.5%	9.9%	8.5%	13.7%	6.1%	9.7%	34.5%	100.0%
Alcoholic Beverages	2.4%	2.1%	1.7%	6.0%	7.5%	5.0%	11.8%	7.0%	8.4%	48.1%	100.0%
Cigarettes and Tobacco	4.4%	5.2%	6.5%	16.0%	13.1%	8.5%	14.6%	6.1%	7.1%	18.6%	100.0%
Total State Taxes	1.0%	1.2%	1.7%	4.9%	6.3%	5.6%	11.3%	5.8%	9.8%	52.5%	100.0%
Local Taxes on Households:											
Residential Property	1.7%	1.8%	3.5%	8.7%	8.4%	6.5%	15.0%	6.3%	9.5%	38.6%	100.0%
Sales	2.4%	2.7%	3.0%	7.6%	8.7%	6.4%	12.3%	5.9%	9.2%	41.9%	100.0%
Specific Ownership	2.1%	3.3%	4.4%	10.1%	10.4%	8.3%	14.4%	6.2%	9.6%	31.2%	100.0%
Occupation	0.8%	1.3%	2.0%	5.9%	7.7%	7.1%	13.9%	7.0%	11.9%	42.5%	100.0%
Total Local Taxes	1.9%	2.2%	3.4%	8.4%	8.6%	6.6%	14.1%	6.2%	9.5%	39.2%	100.0%
Total State and Local Taxes	1.4%	1.6%	2.5%	6.5%	7.4%	6.1%	12.6%	5.9%	9.6%	46.3%	100.0%

Table VI. Comparison of Income Distribution Among Households Prior to Distribution of State Surplus Revenues, Fiscal Year 2010

Income Class	Distribution of Income and Taxes Among Households				Ratio of Pct Distribution of Taxes to Pct Distribution of Income		
	Adjusted Money Income	State Taxes	Local Taxes	Total Taxes	State Taxes to Income	Local Taxes to Income	Combined Taxes to Income
\$ 0 to \$10,000	0.8%	1.0%	1.9%	1.4%	1.20	2.46	1.79
\$10,000 to \$15,000	1.2%	1.2%	2.2%	1.6%	0.95	1.75	1.32
\$15,000 to \$20,000	1.9%	1.7%	3.4%	2.5%	0.88	1.78	1.30
\$20,000 to \$30,000	5.2%	4.9%	8.4%	6.5%	0.94	1.61	1.25
\$30,000 to \$40,000	6.5%	6.3%	8.6%	7.4%	0.98	1.34	1.15
\$40,000 to \$50,000	5.7%	5.6%	6.6%	6.1%	0.98	1.15	1.06
\$50,000 to \$70,000	11.3%	11.3%	14.1%	12.6%	1.00	1.25	1.12
\$70,000 to \$80,000	5.6%	5.8%	6.2%	5.9%	1.03	1.09	1.06
\$80,000 to \$100,000	9.2%	9.8%	9.5%	9.6%	1.06	1.03	1.04
\$100,000 and over	52.6%	52.5%	39.2%	46.3%	1.00	0.75	0.88
TOTAL	100.0%	100.0%	100.0%	100.0%	1.00	1.00	1.00

**Table VII. Average State and Local Taxes Paid by Households
Fiscal Year 2010**

	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$19,999	\$20,000 to \$29,999	\$30,000 to \$39,999	\$40,000 to \$49,999	\$50,000 to \$69,999	\$70,000 to \$79,999	\$80,000 to \$100,000	\$100,000 and over	Total
Average Adjusted Money Income	\$7,779	\$12,902	\$18,058	\$25,153	\$35,199	\$45,059	\$59,768	\$75,026	\$89,286	\$205,803	\$69,344
State Taxes on Households:											
Individual Income	\$40	\$89	\$182	\$369	\$671	\$971	\$1,412	\$1,917	\$2,469	\$6,418	\$1,830
Sales	155	191	194	251	324	343	444	536	608	1,120	471
Gasoline and Special Fuels	53	69	86	110	128	148	171	186	201	302	159
Licenses and Registrations	53	58	80	87	114	140	153	173	198	255	141
Alcoholic Beverages	3	3	2	4	6	6	9	13	12	31	10
Cigarettes and Tobacco	46	60	69	85	79	74	86	90	76	91	78
Total Average State Taxes	\$350	\$470	\$613	\$906	\$1,322	\$1,681	\$2,275	\$2,915	\$3,563	\$8,216	\$2,691
Local Taxes on Households:											
Residential Property	\$341	\$391	\$694	\$856	\$937	\$1,027	\$1,609	\$1,687	\$1,824	\$3,161	\$1,418
Sales	244	301	304	394	509	538	697	841	955	1,758	740
Specific Ownership	42	71	86	100	118	134	158	170	192	287	149
Occupation	2	5	7	10	15	20	27	34	42	66	26
Total Average Local Taxes	\$630	\$767	\$1,092	\$1,361	\$1,580	\$1,719	\$2,491	\$2,732	\$3,014	\$5,272	\$2,334
Total State and Local Taxes	\$980	\$1,237	\$1,705	\$2,266	\$2,902	\$3,400	\$4,765	\$5,647	\$6,577	\$13,488	\$5,024

depict the typical amount of income earned by resident households in 2010. The average amount of state taxes paid by households in Colorado was approximately \$2,691. However, when residents in the \$100,000 and higher income category are removed, the average amount of state taxes paid drops to \$1,539. The average amount of local taxes paid by households in Colorado was \$2,334. If the residents in the \$100,000 and higher income category are removed the average amount of local taxes paid is \$1,725.

A comparison based on the computation of an income group's average income and taxes as a percentage of the highest income group's corresponding averages is another way of determining the proportionality of the state and local tax burden imposed on Colorado residents. The data in Table VIII shows that the income of households in the lowest income group was equal to only 3.8 percent of the amount of income attributable to households in the highest income category. This amount is a benchmark for comparison between these two groups. If a tax is

proportionally distributed among those two groups of taxpayers, then the index for the tax will be 3.8 percent of the average amount paid by households in the highest income group. Any amount less than 3.8 percent shows that households in the lowest income group paid proportionally less towards a tax than households in the highest income group and vice versa. The average state and local taxes paid by households in the lowest income group were 7.3 percent of the average amount of state and local taxes paid by households in the highest income group. The comparison between the two income groups for excise taxes paid on cigarettes and tobacco showed the greatest disparity. The average amount of excise taxes paid by households earning less than \$10,000 on cigarettes and tobacco was 50.9 percent of the average amount paid by the highest income group on these items. However, this tax does not account for a large portion of the overall tax burden. Families in the lowest income group on average paid only \$46 in cigarette and tobacco excise taxes. The total tax burdens for both groups were comprised of a more significant

Table VIII. Average Income and Taxes Paid by Residents in the Lowest and Highest Income Classes, Fiscal Year 2010

	Income Classes		Lowest Income Class as a Percent of the Highest Class
	Under \$10,000	Over \$100,000	
Number of Families	141,660	356,509	39.7%
Average Adjusted Money Income	\$7,779	\$205,803	3.8%
State and Local Taxes			
State Taxes			
Individual Income	\$40	\$6,418	0.6%
Sales	155	1,120	13.9%
Highway User			
Gas, MTB, Gasohol	53	302	17.7%
Licenses and Registrations	53	255	20.7%
Alcoholic Beverages	3	31	10.5%
Cigarette and Tobacco	46	91	50.9%
State Taxes	\$350	\$8,216	4.3%
Local Taxes			
Residential Property	\$341	\$3,161	10.8%
Sales and Use	244	1,758	13.9%
Specific Ownership	42	287	14.7%
Occupation	2	66	3.6%
Local Taxes	\$630	\$5,272	11.9%
State and Local Taxes	\$980	\$13,488	7.3%

amount of property and sales taxes. Households in the lowest income group paid 10.8 and 13.9 percent, respectively, of the amounts paid by the highest income groups for property and sales taxes. The income tax, constituting 36.4 percent of all taxes paid by resident households to state and local governments, is the only significant tax in which households in the lowest income group paid less than 3.8 percent of the amount paid by households in the highest income group. The average income tax paid by households in the lowest income group was 0.6 percent of the amount paid by the highest income group. The disparity in the amount of income taxes paid by each group, however, was not enough to change the overall state and local tax index to make it fully progressive, much less proportional for households earning less than \$10,000.

Effective Tax Rates

Effective tax rates measure how much people pay in taxes as a percentage of their pretax income. The measure of income used in this study is Colorado adjusted money income. Similar to past studies, fiscal year 2010 data show that the combined state and local effective tax rate is regressive.

The next sections cover the distribution of fiscal year 2010 effective tax rates by tax components and by income class, and the relative burden of the effective tax rates on the bottom and top income classes.

Distribution of Effective Tax Rates

The information presented in Table IX and Chart 7 is fiscal year 2010 effective tax rates by income class and tax type. An examination of the fiscal year

2010 combined state and local effective tax rate across income classes revealed that households with incomes less than \$10,000 paid 13 percent of their income in taxes while households with over \$100,000 in income paid 5.7 percent of their income in taxes, indicating a regressive state and local tax burden.

When considered separately from local taxes, an examination of the effective rate of state taxes among income categories shows it to be relatively proportional but slightly regressive. The effective state tax rate in fiscal year 2010 mirrored the effective state tax rate (before the Taxpayer Bill of Rights refund) in the 2001 study, although in fiscal year 2010 the rates are nearly a percentage point lower. The effective state tax rate ranged from 4.7 percent for households that earned less

than \$10,000 to 3.5 percent for households that earned over \$100,000. All income groups except households with incomes less than \$10,000 have an effective state tax rate close to the average effective state tax rate of 3.6 percent, denoting a relatively proportional tax burden. An examination of the state tax components revealed that the effective tax rate of each tax shown on Table X except for the income tax was clearly regressive. For example, households in the lowest income class paid 2.1 percent of their income in state sales taxes while households in the highest income class paid only 0.5 percent of their income in state sales taxes. The effective individual income tax rate was progressive except that the rate fell from 2.8 percent for households in the \$80,000 to \$100,000 income range to 2.7 percent for households with more than \$100,000 in income. Although Colorado has

Table IX. State and Local Taxes as a Percentage of Adjusted Money Income, Fiscal Year 2010

	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$19,999	\$20,000 to \$29,999	\$30,000 to \$39,999	\$40,000 to \$49,999	\$50,000 to \$69,999	\$70,000 to \$79,999	\$80,000 to \$100,000	\$100,000 and over	Average
State Taxes on Households:											
Individual Income	0.53%	0.69%	1.01%	1.47%	1.91%	2.15%	2.36%	2.55%	2.77%	2.72%	2.47%
Sales	2.06%	1.48%	1.07%	1.00%	0.92%	0.76%	0.74%	0.71%	0.68%	0.47%	0.64%
Gasoline and Special Fuels	0.71%	0.53%	0.47%	0.44%	0.36%	0.33%	0.29%	0.25%	0.22%	0.13%	0.21%
Licenses and Registrations	0.70%	0.45%	0.44%	0.34%	0.32%	0.31%	0.26%	0.23%	0.22%	0.11%	0.19%
Alcoholic Beverages	0.04%	0.02%	0.01%	0.02%	0.02%	0.01%	0.01%	0.02%	0.01%	0.01%	0.01%
Cigarettes and Tobacco	0.61%	0.47%	0.38%	0.34%	0.23%	0.16%	0.14%	0.12%	0.09%	0.04%	0.11%
Total State Taxes	4.66%	3.64%	3.39%	3.60%	3.76%	3.73%	3.81%	3.89%	3.99%	3.48%	3.62%
Local Taxes on Households:											
Residential Property	4.54%	3.03%	3.84%	3.40%	2.66%	2.28%	2.69%	2.25%	2.04%	1.34%	1.91%
Sales and Use	3.24%	2.33%	1.69%	1.57%	1.45%	1.19%	1.17%	1.12%	1.07%	0.74%	1.00%
Specific Ownership	0.56%	0.55%	0.48%	0.40%	0.33%	0.30%	0.26%	0.23%	0.22%	0.12%	0.20%
Occupation	0.03%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.05%	0.05%	0.03%	0.04%
Total Local Taxes	8.37%	5.94%	6.04%	5.41%	4.49%	3.82%	4.17%	3.64%	3.38%	2.23%	3.14%
State and Local Taxes	13.03%	9.58%	9.44%	9.01%	8.24%	7.54%	7.97%	7.53%	7.37%	5.71%	6.77%

**Chart 7. Effective State and Local Tax Rates
Fiscal Year 2010**

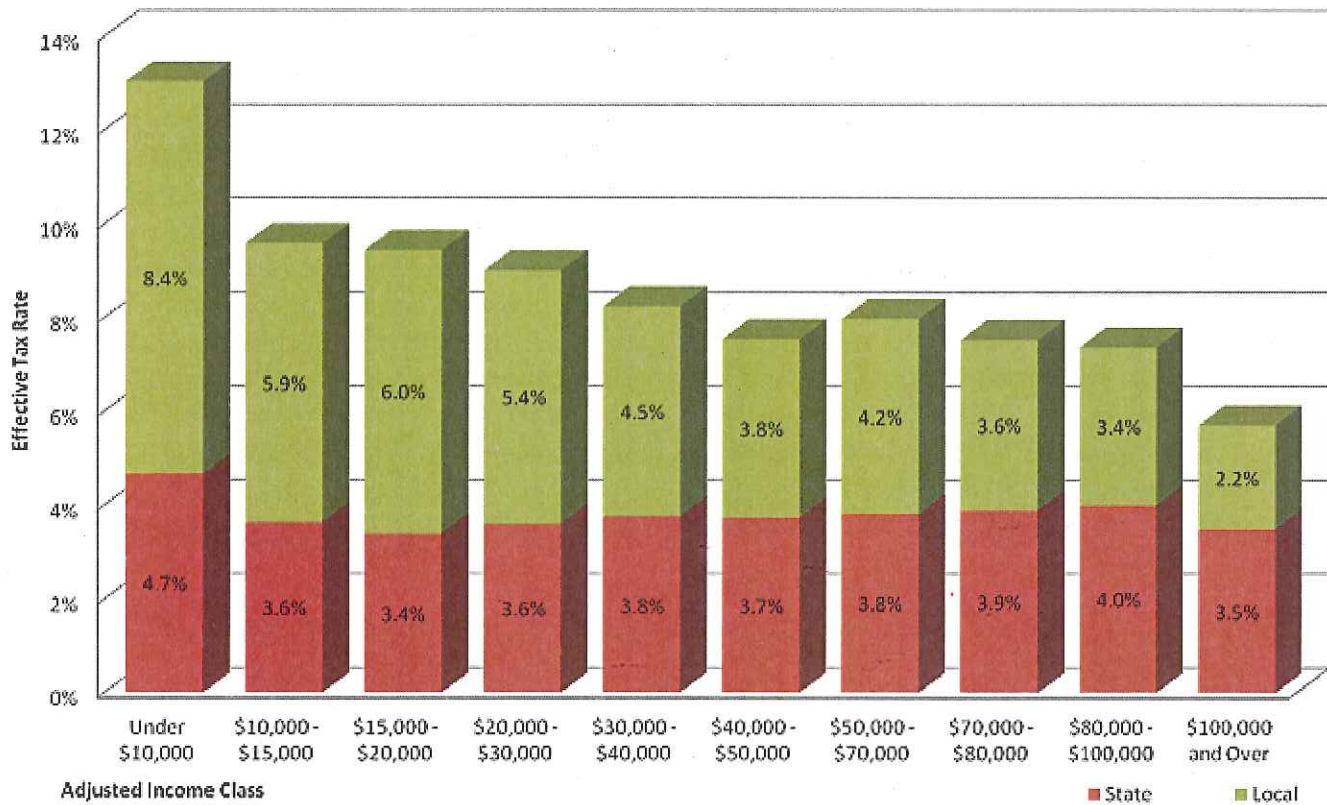


Table X. State and Local Taxes as a Percentage of Adjusted Money Income, Fiscal Year 2010

	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$19,999	\$20,000 to \$29,999	\$30,000 to \$39,999	\$40,000 to \$49,999	\$50,000 to \$69,999	\$70,000 to \$79,999	\$80,000 to \$100,000	\$100,000 and over	Average
State Taxes on Households:											
Individual Income	0.53%	0.69%	1.01%	1.47%	1.91%	2.15%	2.36%	2.55%	2.77%	2.72%	2.47%
Sales	2.06%	1.48%	1.07%	1.00%	0.92%	0.76%	0.74%	0.71%	0.68%	0.47%	0.64%
Gasoline and Special Fuels	0.71%	0.53%	0.47%	0.44%	0.36%	0.33%	0.29%	0.25%	0.22%	0.13%	0.21%
Licenses and Registrations	0.70%	0.45%	0.44%	0.34%	0.32%	0.31%	0.26%	0.23%	0.22%	0.11%	0.19%
Alcoholic Beverages	0.04%	0.02%	0.01%	0.02%	0.02%	0.01%	0.01%	0.02%	0.01%	0.01%	0.01%
Cigarettes and Tobacco	0.61%	0.47%	0.38%	0.34%	0.23%	0.16%	0.14%	0.12%	0.09%	0.04%	0.11%
Total State Taxes	4.66%	3.64%	3.39%	3.60%	3.76%	3.73%	3.81%	3.89%	3.99%	3.48%	3.62%
Local Taxes on Households:											
Residential Property	4.54%	3.03%	3.84%	3.40%	2.66%	2.28%	2.69%	2.25%	2.04%	1.34%	1.91%
Sales and Use	3.24%	2.33%	1.69%	1.57%	1.45%	1.19%	1.17%	1.12%	1.07%	0.74%	1.00%
Specific Ownership	0.56%	0.55%	0.48%	0.40%	0.33%	0.30%	0.26%	0.23%	0.22%	0.12%	0.20%
Occupation	0.03%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.05%	0.05%	0.03%	0.04%
Total Local Taxes	8.37%	5.94%	6.04%	5.41%	4.49%	3.82%	4.17%	3.64%	3.38%	2.23%	3.14%
State and Local Taxes	13.03%	9.58%	9.44%	9.01%	8.24%	7.54%	7.97%	7.53%	7.37%	5.71%	6.77%

a flat income tax rate of 4.63 percent, using federal taxable income as a starting point in determining Colorado taxable income results in relatively progressive effective rates. The standard exemption and deductions amounts used to determine federal, and consequently Colorado taxable income benefit the lower income households.

An examination of local taxes reveals that the effective local tax rates were clearly regressive. They decreased from 8.4 percent for households in the lowest income group to 2.2 percent for households in the highest income group. The effective tax rates for all of the taxes levied by local governments are regressive. Property taxes are the largest source of revenues for local governments and the majority of households in all income classes pay property taxes through their mortgage payments, directly to local governments, or through rental payments. The effective local sales and use and specific ownership tax rates were also clearly regressive. The effective sales and use tax rates decreased from 3.2 percent for households that earned less than \$10,000 in income to 0.7 percent for households with incomes over \$100,000.

Tax Burden Index

A Lorenz curve measure is another tool for analyzing the progressivity/regressivity of taxes. This measure is expressed as a ratio using the effective tax rate to measure the relative burden of a tax on households in different income groups. Specifically, the measure compares the effective rate of a tax on households in the lowest income group to that imposed on households in the highest group. A ratio or index number equal to 1.0 indicates that the burden of the tax being measured is proportional. If the ratio is less than 1.0, the tax is progressive and if the ratio is greater than 1, the tax is regressive.

The Lorenz curve measure on Table XI indicates that all taxes except the state individual income tax were regressive. Using this measure, the most regressive of taxes was the cigarette and tobacco excise tax. The effective rate of the cigarette and tobacco excise tax was nearly 16 times greater than the effective rate of the tax on households in the highest income class. According to the Consumer

Expenditure Survey (CES), households with incomes less than \$10,000 spend an average of \$271 on tobacco products and smoking supplies, and households in the highest income class spend an average of \$343. Given that both income groups spend relatively the same amount on cigarettes and tobacco, the excise taxes paid by households in the lowest income group consume a greater percentage of their income. In general, sales, use, and excise taxes are regressive but excise taxes are the most regressive. In November 2009, the Institute on Taxation and Economic Policy published the study *Who Pays? A Distributional Analysis of the Tax Systems in All 50 States*. The study reported that sales taxes are usually calculated as a percentage of the price of a fairly broad base of taxable items. Excise taxes, by contrast, are imposed on a small number of goods, typically ones for which demand has a practical per-person maximum. Thus, people in the highest income class don't buy a proportionate amount of these goods as their income increases. Moreover, excise taxes are typically based on volume sales rather than taxable value. As a result, excise taxes are usually the most regressive kind of tax since consumption by volume does not increase appreciably as incomes rise.

The Lorenz curve index of 4.4 for state sales taxes was lower than the gasoline and special fuels index of 5.6 and the licenses and registrations index of 6.5. Similarly, the index of 4.4 for local sales and use taxes was lower than the specific ownership tax index of 4.6. The Lorenz curve measure also indicates that the property tax burden on households in the lowest income group was nearly 3.4 times larger than the property tax burden on households in the highest group. Although home ownership is not as prominent among households in the lowest income group in comparison to the highest, most households pay property taxes either directly to county governments or as an embedded cost in their rental payments. The exception to households paying some form of property tax would be those living in fully subsidized housing.

The various measures of proportionality are useful tools in analyzing the structure of taxes levied by the taxing jurisdictions in the state. They answer

questions with regard to vertical equity. For instance, they consistently show that local taxes, consisting mainly of sales and property taxes, were, for the most part, quite regressive. Although not as notably regressive as the excise taxes levied by the state and the consumption taxes levied by state and local governments, the proportionality measures showed that given the magnitude of the tax, the burden of property taxes was, nonetheless, quite pronounced on households in the lowest income classes. In terms of the single most regressive tax, the measures in this study showed that the cigarette and tobacco excise taxes varied the greatest from a proportional distribution of the tax burden. However, due to the relatively small amounts paid towards these excise taxes, the extremely regressive nature of the tax did not appear to affect the overall

state tax index. In this study, the progressivity of the income tax minimized the regressive nature of the consumption taxes, including the sales and excise taxes, levied by the state. A comparison of state and local taxes showed that the local tax burden was the most regressive and because of the proportional nature of the state tax, the combined state and local taxes index was moderated to 2.3.

The data presented in this study provide a foundation for an informed discussion of tax equity. However, the reader is well-advised to examine the resulting distribution of state and local taxes within the context of the economic environment given that the state of Colorado is slowly recovering from the Great Recession.

**Table XI. Effective Tax Rates and Progressivity Index
Fiscal Year 2010**

	Income Classes		Pct Paid by Lowest
	Below	Over	Group as a Ratio of
	\$10,000	\$100,000	Pct Paid by Highest
State Taxes:			
Individual Income	0.5%	2.7%	0.2
Sales	2.1%	0.5%	4.4
Gasoline and Special Fuels	0.7%	0.1%	5.6
Licenses and Registrations	0.7%	0.1%	6.5
Alcoholic Beverages	0.0%	0.0%	3.3
Cigarettes and Tobacco	0.6%	0.0%	16.0
Total State Taxes	4.7%	3.5%	1.3
Local Taxes:			
Residential Property	4.5%	1.3%	3.4
Sales and Use	3.2%	0.7%	4.4
Specific Ownership	0.6%	0.1%	4.6
Occupation	0.0%	0.0%	1.1
Total Local Taxes	8.4%	2.2%	3.8
State and Local Taxes	13.0%	5.7%	2.3

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Colorado Statistics of Income



Introduction

This Colorado Statistics of Income (SOI) publication reports on income and taxes for individuals filing income tax returns for tax year 2009.

The data used in this report are drawn from a merged file of state and federal tax returns. Information reported in the following tables pertain to only full year resident returns. Information from returns filed by part year residents who have moved into or out of the state, as well as those filed by nonresidents who are required to pay Colorado income taxes, are not included in the merged file used to compile this report. Tables 1A, 1B, and 1C report the number of returns, federal Adjusted Gross Income (AGI), gross and net state income taxes, and federal taxes filed by all Colorado residents. Returns filed by dependents, typically children with jobs who still live with their parents, are excluded from the data reported in the remaining tables. In this manner, the information reported in these tables more closely approximates the income data of households filing tax returns. The tables in the SOI report federal adjusted gross income, sources of income, modifications, deductions, federal and

state income tax, and several other key variables from the merged tax returns. Tables of regional and county information may also be found in this report.

Colorado adjusted gross income is no longer used in the SOI reports as a measure of income for Colorado residents. Rather, the tables in this publication use federal adjusted gross income as a measure of the income of Colorado residents. Federal adjusted gross income is a standard measure of income and facilitates the comparison of Colorado income data to that of other states as well as national income data. This change may hamper the comparison of income data with SOI reports prior to 1999. The largest single group affected is likely to be seniors that receive taxable pensions. Up to \$24,000 of taxable pension income per spouse (this amount has changed over time) was an allowable deduction under the Colorado adjusted gross income measure. This income is not exempted from taxation under federal codes and is included in federal adjusted gross income.

Statistics of Income

Individual Income Tax, Income Tax Year 2009

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**Table 1A. Federal AGI and Taxes, All Full-Year Resident Returns
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Number of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	33,536	(\$3,528,110)	\$345	\$685	\$16,002
\$ 0 to \$ 5,000	82,340	214,393	358	359	7,974
\$ 5,000 to \$ 10,000	119,531	912,029	538	546	21,990
\$ 10,000 to \$ 15,000	139,504	1,749,814	9,758	9,704	49,404
\$ 15,000 to \$ 20,000	143,006	2,502,567	26,290	26,122	81,643
\$ 20,000 to \$ 25,000	139,626	3,137,644	44,865	44,572	126,341
\$ 25,000 to \$ 35,000	245,832	7,335,944	137,912	137,110	386,019
\$ 35,000 to \$ 50,000	278,767	11,714,140	269,179	266,901	785,937
\$ 50,000 to \$ 75,000	311,321	19,176,470	496,139	489,773	1,608,631
\$ 75,000 to \$ 100,000	199,941	17,297,289	499,727	491,686	1,646,722
\$ 100,000 to \$ 250,000	278,924	39,534,100	1,328,311	1,296,227	5,370,779
\$ 250,000 and over	40,897	25,887,484	1,035,751	920,630	5,867,548
Subtotal	2,013,225	125,933,763	3,849,175	3,684,313	15,968,990
Returns with zero exemptions	117,414	\$696,378	\$12,508	\$11,929	\$39,862
Total	2,130,639	\$126,630,141	\$3,861,682	\$3,696,242	\$16,008,852

B. Percentage Distribution by Income Class (excludes returns with zero exemptions)

Adjusted Gross Income Classes	Number of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	4.2	0.2	0.0	0.0	0.0
\$ 5,000 to \$ 10,000	6.0	0.7	0.0	0.0	0.1
\$ 10,000 to \$ 15,000	7.0	1.4	0.3	0.3	0.3
\$ 15,000 to \$ 20,000	7.2	1.9	0.7	0.7	0.5
\$ 20,000 to \$ 25,000	7.1	2.4	1.2	1.2	0.8
\$ 25,000 to \$ 35,000	12.4	5.7	3.6	3.7	2.4
\$ 35,000 to \$ 50,000	14.1	9.0	7.0	7.2	4.9
\$ 50,000 to \$ 75,000	15.7	14.8	12.9	13.3	10.1
\$ 75,000 to \$ 100,000	10.1	13.4	13.0	13.3	10.3
\$ 100,000 to \$ 250,000	14.1	30.5	34.5	35.2	33.7
\$ 250,000 and over	2.1	20.0	26.9	25.0	36.8
Total	100.0	100.0	100.0	100.0	100.0

C. Average per Return (excludes returns with zero exemptions)

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	(\$105,204)	\$10	\$20	\$477
\$ 0 to \$ 5,000	2,604	4	4	97
\$ 5,000 to \$ 10,000	7,630	5	5	184
\$ 10,000 to \$ 15,000	12,543	70	70	354
\$ 15,000 to \$ 20,000	17,500	184	183	571
\$ 20,000 to \$ 25,000	22,472	321	319	905
\$ 25,000 to \$ 35,000	29,841	561	558	1,570
\$ 35,000 to \$ 50,000	42,021	966	957	2,819
\$ 50,000 to \$ 75,000	61,597	1,594	1,573	5,167
\$ 75,000 to \$ 100,000	86,512	2,499	2,459	8,236
\$ 100,000 to \$ 250,000	141,738	4,762	4,647	19,255
\$ 250,000 and over	632,992	25,326	22,511	143,471
Average	\$62,553	\$1,912	\$1,830	\$7,932

**Table 1B. Federal AGI and Taxes, Taxable Full-Year Resident Returns
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Number of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	214	(\$11,499)	\$345	\$418	\$312
\$ 0 to \$ 5,000	1,215	2,895	358	349	109
\$ 5,000 to \$ 10,000	9,684	89,283	538	536	1,469
\$ 10,000 to \$ 15,000	67,931	854,040	9,758	9,692	25,496
\$ 15,000 to \$ 20,000	84,865	1,493,664	26,290	26,115	59,131
\$ 20,000 to \$ 25,000	100,272	2,258,695	44,865	44,569	105,387
\$ 25,000 to \$ 35,000	202,599	6,069,071	137,912	137,066	344,451
\$ 35,000 to \$ 50,000	255,563	10,758,289	269,179	266,792	748,176
\$ 50,000 to \$ 75,000	299,854	18,498,397	496,139	489,754	1,574,577
\$ 75,000 to \$ 100,000	197,927	17,126,883	499,727	491,667	1,638,592
\$ 100,000 to \$ 250,000	277,716	39,369,647	1,328,311	1,296,131	5,361,212
\$ 250,000 and over	40,687	25,694,425	1,035,751	920,269	5,847,367
Subtotal	1,538,527	\$122,203,791	\$3,849,175	\$3,683,356	\$15,706,280
Returns with zero exemptions	53,373	\$537,248	\$12,508	\$11,927	\$37,430
Total	1,591,900	\$122,741,039	\$3,861,682	\$3,695,283	\$15,743,710

B. Percentage Distribution by Income Class (excludes returns with zero exemptions)

Adjusted Gross Income Classes	Number of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.1	0.0	0.0	0.0	0.0
\$ 5,000 to \$ 10,000	0.6	0.1	0.0	0.0	0.0
\$ 10,000 to \$ 15,000	4.4	0.7	0.3	0.3	0.2
\$ 15,000 to \$ 20,000	5.5	1.2	0.7	0.7	0.4
\$ 20,000 to \$ 25,000	6.5	1.8	1.2	1.2	0.7
\$ 25,000 to \$ 35,000	13.2	5.0	3.6	3.7	2.2
\$ 35,000 to \$ 50,000	16.6	8.8	7.0	7.2	4.8
\$ 50,000 to \$ 75,000	19.5	15.1	12.9	13.3	10.0
\$ 75,000 to \$ 100,000	12.9	14.0	13.0	13.3	10.4
\$ 100,000 to \$ 250,000	18.1	32.2	34.5	35.2	34.1
\$ 250,000 and over	2.6	21.0	26.9	25.0	37.2
Total	100.0	100.0	100.0	100.0	100.0

C. Average per Return (excludes returns with zero exemptions)

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	(\$53,732)	\$1,613	\$1,953	\$1,456
\$ 0 to \$ 5,000	2,382	295	287	90
\$ 5,000 to \$ 10,000	9,220	56	55	152
\$ 10,000 to \$ 15,000	12,572	144	143	375
\$ 15,000 to \$ 20,000	17,600	310	308	697
\$ 20,000 to \$ 25,000	22,526	447	444	1,051
\$ 25,000 to \$ 35,000	29,956	681	677	1,700
\$ 35,000 to \$ 50,000	42,096	1,053	1,044	2,928
\$ 50,000 to \$ 75,000	61,691	1,655	1,633	5,251
\$ 75,000 to \$ 100,000	86,531	2,525	2,484	8,279
\$ 100,000 to \$ 250,000	141,762	4,783	4,667	19,305
\$ 250,000 and over	631,514	25,457	22,618	143,716
Average	\$79,429	\$2,502	\$2,394	\$10,209

**Table 1C. Federal AGI and Taxes, Non-Taxable Full-Year Resident Returns
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Number of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	33,322	(\$3,516,611)	\$0	\$268	\$15,690
\$ 0 to \$ 5,000	81,125	211,498	-	10	7,864
\$ 5,000 to \$ 10,000	109,846	822,746	-	10	20,521
\$ 10,000 to \$ 15,000	71,574	895,773	-	12	23,908
\$ 15,000 to \$ 20,000	58,141	1,008,903	-	7	22,512
\$ 20,000 to \$ 25,000	39,354	878,949	-	3	20,953
\$ 25,000 to \$ 35,000	43,233	1,266,873	-	44	41,568
\$ 35,000 to \$ 50,000	23,204	955,850	-	109	37,762
\$ 50,000 to \$ 75,000	11,467	678,073	-	19	34,054
\$ 75,000 to \$ 100,000	2,014	170,406	-	19	8,130
\$ 100,000 to \$ 250,000	1,208	164,453	-	96	9,567
\$ 250,000 and over	209	193,059	-	361	20,181
Subtotal	474,697	\$3,729,972	\$0	\$957	\$262,710
Returns with zero exemptions	64,041	\$159,130	\$0	\$1	\$2,433
Total	538,738	\$3,889,102	\$0	\$959	\$265,143

B. Percentage Distribution by Income Class (excludes returns with zero exemptions)

Adjusted Gross Income Classes	Number of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	18.4	2.9	-	1.5	3.2
\$ 5,000 to \$ 10,000	24.9	11.4	-	1.4	8.3
\$ 10,000 to \$ 15,000	16.2	12.4	-	1.7	9.7
\$ 15,000 to \$ 20,000	13.2	13.9	-	1.0	9.1
\$ 20,000 to \$ 25,000	8.9	12.1	-	0.4	8.5
\$ 25,000 to \$ 35,000	9.8	17.5	-	6.4	16.8
\$ 35,000 to \$ 50,000	5.3	13.2	-	15.8	15.3
\$ 50,000 to \$ 75,000	2.6	9.4	-	2.7	13.8
\$ 75,000 to \$ 100,000	0.5	2.4	-	2.8	3.3
\$ 100,000 to \$ 250,000	0.3	2.3	-	13.9	3.9
\$ 250,000 and over	0.0	2.7	-	52.4	8.2
Total	100.0	100.0	-	100.0	100.0

C. Average per Return (excludes returns with zero exemptions)

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	(\$105,534)	\$0	\$8	\$471
\$ 0 to \$ 5,000	2,607	-	0	97
\$ 5,000 to \$ 10,000	7,490	-	0	187
\$ 10,000 to \$ 15,000	12,515	-	0	334
\$ 15,000 to \$ 20,000	17,353	-	0	387
\$ 20,000 to \$ 25,000	22,334	-	0	532
\$ 25,000 to \$ 35,000	29,303	-	1	961
\$ 35,000 to \$ 50,000	41,193	-	5	1,627
\$ 50,000 to \$ 75,000	59,133	-	2	2,970
\$ 75,000 to \$ 100,000	84,611	-	9	4,037
\$ 100,000 to \$ 250,000	136,136	-	80	7,920
\$ 250,000 and over	923,728	-	1,728	96,561
Average	\$7,858	\$0	\$2	\$553

**Table 2. Colorado Returns Classified by Type of Deduction
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Standard Deduction Returns			Itemized Returns		
	No. of Returns	Federal AGI	Colorado Net Tax	No. of Returns	Federal AGI	Colorado Net Tax
Negative Income	18,547	(\$920,743)	\$167	14,989	(\$2,607,367)	\$519
\$ 0 to \$ 5,000	74,617	195,365	299	7,723	19,028	60
\$ 5,000 to \$ 10,000	109,014	831,221	484	10,516	80,807	62
\$ 10,000 to \$ 15,000	124,286	1,557,672	9,402	15,219	192,141	301
\$ 15,000 to \$ 20,000	125,044	2,186,987	24,841	17,962	315,580	1,281
\$ 20,000 to \$ 25,000	117,567	2,639,358	40,925	22,059	498,286	3,647
\$ 25,000 to \$ 35,000	190,097	5,649,797	114,774	55,734	1,686,147	22,336
\$ 35,000 to \$ 50,000	172,851	7,198,337	177,929	105,916	4,515,802	88,972
\$ 50,000 to \$ 75,000	134,977	8,195,114	221,676	176,344	10,981,357	268,096
\$ 75,000 to \$ 100,000	55,446	4,740,926	138,883	144,494	12,556,363	352,803
\$ 100,000 to \$ 250,000	33,268	4,230,618	139,185	245,656	35,303,482	1,157,040
\$ 250,000 and over	814	373,051	12,976	40,082	25,514,434	907,654
Total	1,156,528	\$36,877,703	\$881,540	856,696	\$89,056,060	\$2,802,770

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Standard Deduction Returns			Itemized Returns		
	No. of Returns	Federal AGI	Colorado Net Tax	No. of Returns	Federal AGI	Colorado Net Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	6.6	0.5	0.0	0.9	0.0	0.0
\$ 5,000 to \$ 10,000	9.6	2.2	0.1	1.2	0.1	0.0
\$ 10,000 to \$ 15,000	10.9	4.1	1.1	1.8	0.2	0.0
\$ 15,000 to \$ 20,000	11.0	5.8	2.8	2.1	0.3	0.0
\$ 20,000 to \$ 25,000	10.3	7.0	4.6	2.6	0.5	0.1
\$ 25,000 to \$ 35,000	16.7	14.9	13.0	6.6	1.8	0.8
\$ 35,000 to \$ 50,000	15.2	19.0	20.2	12.6	4.9	3.2
\$ 50,000 to \$ 75,000	11.9	21.7	25.2	21.0	12.0	9.6
\$ 75,000 to \$ 100,000	4.9	12.5	15.8	17.2	13.7	12.6
\$ 100,000 to \$ 250,000	2.9	11.2	15.8	29.2	38.5	41.3
\$ 250,000 and over	0.1	1.0	1.5	4.8	27.8	32.4
Total	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Standard Deduction Returns		Itemized Returns	
	Federal AGI	Colorado Net Tax	Federal AGI	Colorado Net Tax
Negative Income	(\$49,644)	\$9	(\$173,952)	\$35
\$ 0 to \$ 5,000	2,618	4	2,464	8
\$ 5,000 to \$ 10,000	7,625	4	7,684	6
\$ 10,000 to \$ 15,000	12,533	76	12,625	20
\$ 15,000 to \$ 20,000	17,490	199	17,569	71
\$ 20,000 to \$ 25,000	22,450	348	22,589	165
\$ 25,000 to \$ 35,000	29,721	604	30,253	401
\$ 35,000 to \$ 50,000	41,645	1,029	42,636	840
\$ 50,000 to \$ 75,000	60,715	1,642	62,272	1,520
\$ 75,000 to \$ 100,000	85,505	2,505	86,899	2,442
\$ 100,000 to \$ 250,000	127,168	4,184	143,711	4,710
\$ 250,000 and over	458,293	15,941	636,556	22,645
Average	\$31,887	\$762	\$103,953	\$3,272

**Table 3. Colorado Returns Classified by Filing Status
2009 Individual Income Tax Returns**

A. Number of Returns

Adjusted Gross Income Classes	Single	Married Joint	Married Separate	Head of Household	Widow/ Widower	Total
Negative Income	17,289	13,858	869	1,487	32	33,535
\$ 0 to \$ 5,000	62,545	10,274	1,568	7,898	54	82,339
\$ 5,000 to \$ 10,000	84,172	14,988	2,095	18,192	84	119,531
\$ 10,000 to \$ 15,000	88,561	22,016	2,310	26,535	83	139,505
\$ 15,000 to \$ 20,000	83,178	27,487	2,393	29,878	69	143,005
\$ 20,000 to \$ 25,000	76,495	31,047	2,522	29,474	87	139,625
\$ 25,000 to \$ 35,000	130,095	63,803	4,992	46,814	128	245,832
\$ 35,000 to \$ 50,000	137,719	96,847	5,876	38,148	177	278,767
\$ 50,000 to \$ 75,000	109,924	169,568	4,829	26,789	211	311,321
\$ 75,000 to \$ 100,000	38,966	149,485	1,851	9,531	109	199,942
\$ 100,000 to \$ 250,000	28,947	240,953	1,450	7,478	96	278,924
\$ 250,000 and over	3,729	35,940	328	876	23	40,896
Total	861,620	876,266	31,083	243,100	1,153	2,013,222

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Single	Married Joint	Married Separate	Head of Household	Widow/ Widower	Total
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	7.4	1.2	5.2	3.3	4.8	4.2
\$ 5,000 to \$ 10,000	10.0	1.7	6.9	7.5	7.5	6.0
\$ 10,000 to \$ 15,000	10.5	2.6	7.6	11.0	7.4	7.0
\$ 15,000 to \$ 20,000	9.9	3.2	7.9	12.4	6.2	7.2
\$ 20,000 to \$ 25,000	9.1	3.6	8.3	12.2	7.8	7.1
\$ 25,000 to \$ 35,000	15.4	7.4	16.5	19.4	11.4	12.4
\$ 35,000 to \$ 50,000	16.3	11.2	19.4	15.8	15.8	14.1
\$ 50,000 to \$ 75,000	13.0	19.7	16.0	11.1	18.8	15.7
\$ 75,000 to \$ 100,000	4.6	17.3	6.1	3.9	9.7	10.1
\$ 100,000 to \$ 250,000	3.4	27.9	4.8	3.1	8.6	14.1
\$ 250,000 and over	0.4	4.2	1.1	0.4	2.1	2.1
Total	100.0	100.0	100.0	100.0	100.0	100.0

C. Percentage Distribution of Returns Within Income Classes

Adjusted Gross Income Classes	Single	Married Joint	Married Separate	Head of Household	Widow/ Widower	Total
Negative Income	51.6	41.3	2.6	4.4	0.1	100.0
\$ 0 to \$ 5,000	76.0	12.5	1.9	9.6	0.1	100.0
\$ 5,000 to \$ 10,000	70.4	12.5	1.8	15.2	0.1	100.0
\$ 10,000 to \$ 15,000	63.5	15.8	1.7	19.0	0.1	100.0
\$ 15,000 to \$ 20,000	58.2	19.2	1.7	20.9	0.0	100.0
\$ 20,000 to \$ 25,000	54.8	22.2	1.8	21.1	0.1	100.0
\$ 25,000 to \$ 35,000	52.9	26.0	2.0	19.0	0.1	100.0
\$ 35,000 to \$ 50,000	49.4	34.7	2.1	13.7	0.1	100.0
\$ 50,000 to \$ 75,000	35.3	54.5	1.6	8.6	0.1	100.0
\$ 75,000 to \$ 100,000	19.5	74.8	0.9	4.8	0.1	100.0
\$ 100,000 to \$ 250,000	10.4	86.4	0.5	2.7	0.0	100.0
\$ 250,000 and over	9.1	87.9	0.8	2.1	0.1	100.0
Total	42.8	43.5	1.5	12.1	0.1	100.0

**Table 4. Federal AGI Classified by Filing Status
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Single	Married Joint	Married Separate	Head of Household	Widow/ Widower	Total
Negative Income	(\$875,453)	(\$2,370,232)	(\$189,943)	(\$89,898)	(\$2,584)	(\$3,528,110)
\$ 0 to \$ 5,000	161,834	25,453	3,729	23,234	143	214,393
\$ 5,000 to \$ 10,000	637,869	115,233	16,036	142,257	634	912,029
\$ 10,000 to \$ 15,000	1,106,534	278,519	28,938	334,784	1,038	1,749,814
\$ 15,000 to \$ 20,000	1,453,529	482,944	41,988	522,900	1,206	2,502,567
\$ 20,000 to \$ 25,000	1,717,619	698,836	56,680	662,551	1,958	3,137,644
\$ 25,000 to \$ 35,000	3,880,564	1,915,507	149,721	1,386,330	3,823	7,335,944
\$ 35,000 to \$ 50,000	5,763,333	4,113,392	246,350	1,583,739	7,325	11,714,140
\$ 50,000 to \$ 75,000	6,642,990	10,611,836	291,370	1,617,218	13,056	19,176,470
\$ 75,000 to \$ 100,000	3,327,677	12,987,963	158,166	814,159	9,324	17,297,289
\$ 100,000 to \$ 250,000	3,933,144	34,369,062	199,529	1,019,312	13,053	39,534,100
\$ 250,000 and over	2,310,549	22,626,168	343,821	595,303	11,644	25,887,484
Total	\$30,060,189	\$85,854,681	\$1,346,385	\$8,611,888	\$60,619	\$125,933,763

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Single	Married Joint	Married Separate	Head of Household	Widow/ Widower	Total
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.5	0.0	0.2	0.3	0.2	0.2
\$ 5,000 to \$ 10,000	2.1	0.1	1.0	1.6	1.0	0.7
\$ 10,000 to \$ 15,000	3.6	0.3	1.9	3.8	1.6	1.4
\$ 15,000 to \$ 20,000	4.7	0.5	2.7	6.0	1.9	1.9
\$ 20,000 to \$ 25,000	5.6	0.8	3.7	7.6	3.1	2.4
\$ 25,000 to \$ 35,000	12.5	2.2	9.7	15.9	6.0	5.7
\$ 35,000 to \$ 50,000	18.6	4.7	16.0	18.2	11.6	9.0
\$ 50,000 to \$ 75,000	21.5	12.0	19.0	18.6	20.7	14.8
\$ 75,000 to \$ 100,000	10.8	14.7	10.3	9.4	14.8	13.4
\$ 100,000 to \$ 250,000	12.7	39.0	13.0	11.7	20.7	30.5
\$ 250,000 and over	7.5	25.6	22.4	6.8	18.4	20.0
Total	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Single	Married Joint	Married Separate	Head of Household	Widow/ Widower	Total
Negative Income	(\$50,636)	(\$171,037)	(\$218,577)	(\$60,456)	(\$80,762)	(\$105,207)
\$ 0 to \$ 5,000	2,587	2,477	2,378	2,942	2,642	2,604
\$ 5,000 to \$ 10,000	7,578	7,688	7,655	7,820	7,545	7,630
\$ 10,000 to \$ 15,000	12,495	12,651	12,527	12,617	12,500	12,543
\$ 15,000 to \$ 20,000	17,475	17,570	17,546	17,501	17,474	17,500
\$ 20,000 to \$ 25,000	22,454	22,509	22,474	22,479	22,504	22,472
\$ 25,000 to \$ 35,000	29,829	30,022	29,992	29,614	29,865	29,841
\$ 35,000 to \$ 50,000	41,848	42,473	41,925	41,516	41,387	42,021
\$ 50,000 to \$ 75,000	60,433	62,582	60,338	60,369	61,879	61,597
\$ 75,000 to \$ 100,000	85,399	86,885	85,449	85,422	85,544	86,512
\$ 100,000 to \$ 250,000	135,874	142,638	137,606	136,308	135,971	141,738
\$ 250,000 and over	619,616	629,554	1,048,236	679,569	506,257	632,992
Average	\$34,888	\$97,978	\$43,316	\$35,425	\$52,575	\$62,553

**Table 5. Colorado Net Tax Classified by Filing Status
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Single	Married Joint	Married Separate	Head of Household	Widow/ Widower	Total
Negative Income	\$93	\$480	\$101	\$12	\$0	\$686
\$ 0 to \$ 5,000	218	68	59	13	0	359
\$ 5,000 to \$ 10,000	424	57	44	22	0	546
\$ 10,000 to \$ 15,000	9,183	111	279	131	0	9,704
\$ 15,000 to \$ 20,000	23,932	149	679	1,362	0	26,122
\$ 20,000 to \$ 25,000	36,952	1,047	1,212	5,353	8	44,572
\$ 25,000 to \$ 35,000	100,402	11,314	3,638	21,721	36	137,110
\$ 35,000 to \$ 50,000	167,606	55,953	6,855	36,371	116	266,901
\$ 50,000 to \$ 75,000	206,586	228,171	8,776	45,944	296	489,773
\$ 75,000 to \$ 100,000	111,056	349,628	5,180	25,578	244	491,686
\$ 100,000 to \$ 250,000	139,067	1,114,624	6,940	35,191	406	1,296,227
\$ 250,000 and over	79,697	811,005	11,116	18,488	325	920,630
Total	\$875,215	\$2,572,606	\$44,878	\$190,184	\$1,431	\$3,684,313

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Single	Married Joint	Married Separate	Head of Household	Widow/ Widower	Total
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.0	0.0	0.1	0.0	-	0.0
\$ 5,000 to \$ 10,000	0.0	0.0	0.1	0.0	-	0.0
\$ 10,000 to \$ 15,000	1.0	0.0	0.6	0.1	0.0	0.3
\$ 15,000 to \$ 20,000	2.7	0.0	1.5	0.7	0.0	0.7
\$ 20,000 to \$ 25,000	4.2	0.0	2.7	2.8	0.5	1.2
\$ 25,000 to \$ 35,000	11.5	0.4	8.1	11.4	2.5	3.7
\$ 35,000 to \$ 50,000	19.2	2.2	15.3	19.1	8.1	7.2
\$ 50,000 to \$ 75,000	23.6	8.9	19.6	24.2	20.7	13.3
\$ 75,000 to \$ 100,000	12.7	13.6	11.6	13.4	17.1	13.3
\$ 100,000 to \$ 250,000	15.9	43.3	15.5	18.5	28.4	35.2
\$ 250,000 and over	9.1	31.5	24.8	9.7	22.7	25.0
Total	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Single	Married Joint	Married Separate	Head of Household	Widow/ Widower	Total
Negative Income	\$5	\$35	\$116	\$8	\$2	\$20
\$ 0 to \$ 5,000	3	7	38	2	0	4
\$ 5,000 to \$ 10,000	5	4	21	1	0	5
\$ 10,000 to \$ 15,000	104	5	121	5	0	70
\$ 15,000 to \$ 20,000	288	5	284	46	3	183
\$ 20,000 to \$ 25,000	483	34	481	182	89	319
\$ 25,000 to \$ 35,000	772	177	729	464	278	558
\$ 35,000 to \$ 50,000	1,217	578	1,167	953	654	957
\$ 50,000 to \$ 75,000	1,879	1,346	1,817	1,715	1,403	1,573
\$ 75,000 to \$ 100,000	2,850	2,339	2,798	2,684	2,240	2,459
\$ 100,000 to \$ 250,000	4,804	4,626	4,786	4,706	4,230	4,647
\$ 250,000 and over	21,372	22,566	33,889	21,105	14,137	22,511
Average	\$1,016	\$2,936	\$1,444	\$782	\$1,241	\$1,830

**Table 6. Colorado Returns Classified by Number of Exemptions
2009 Individual Income Tax Returns**

A. Number of Returns

Adjusted Gross Income Classes	Number of Exemptions						Total
	One	Two	Three	Four	Five	Six or More	
Negative Income	17,761	10,027	2,222	2,230	933	363	33,536
\$ 0 to \$ 5,000	61,195	14,148	4,085	1,952	690	270	82,340
\$ 5,000 to \$ 10,000	80,942	23,068	8,990	4,340	1,552	639	119,531
\$ 10,000 to \$ 15,000	84,982	28,141	14,285	7,831	3,015	1,251	139,505
\$ 15,000 to \$ 20,000	80,742	30,578	15,578	9,830	4,310	1,967	143,005
\$ 20,000 to \$ 25,000	75,033	30,518	14,703	10,710	5,808	2,854	139,626
\$ 25,000 to \$ 35,000	129,880	55,394	24,728	17,746	10,394	7,690	245,832
\$ 35,000 to \$ 50,000	139,207	70,718	26,941	21,638	11,228	9,036	278,768
\$ 50,000 to \$ 75,000	111,274	105,136	37,416	35,316	14,390	7,788	311,320
\$ 75,000 to \$ 100,000	39,476	80,734	30,751	32,913	11,525	4,542	199,941
\$ 100,000 to \$ 250,000	29,026	112,917	48,556	62,238	19,895	6,291	278,923
\$ 250,000 and over	3,858	15,212	6,365	10,086	4,107	1,268	40,896
Total	853,375	576,592	234,621	216,830	87,847	43,958	2,013,223

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Number of Exemptions						Total
	One	Two	Three	Four	Five	Six or More	
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	7.3	2.5	1.8	0.9	0.8	0.6	4.2
\$ 5,000 to \$ 10,000	9.7	4.1	3.9	2.0	1.8	1.5	6.0
\$ 10,000 to \$ 15,000	10.2	5.0	6.1	3.6	3.5	2.9	7.0
\$ 15,000 to \$ 20,000	9.7	5.4	6.7	4.6	5.0	4.5	7.2
\$ 20,000 to \$ 25,000	9.0	5.4	6.3	5.0	6.7	6.5	7.1
\$ 25,000 to \$ 35,000	15.5	9.8	10.6	8.3	12.0	17.6	12.4
\$ 35,000 to \$ 50,000	16.7	12.5	11.6	10.1	12.9	20.7	14.1
\$ 50,000 to \$ 75,000	13.3	18.6	16.1	16.5	16.6	17.9	15.7
\$ 75,000 to \$ 100,000	4.7	14.2	13.2	15.3	13.3	10.4	10.1
\$ 100,000 to \$ 250,000	3.5	19.9	20.9	29.0	22.9	14.4	14.1
\$ 250,000 and over	0.5	2.7	2.7	4.7	4.7	2.9	2.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Percentage Distribution of Federal AGI Within Income Classes

Adjusted Gross Income Classes	Number of Exemptions						Total
	One	Two	Three	Four	Five	Six or More	
Negative Income	53.0	29.9	6.6	6.6	2.8	1.1	100.0
\$ 0 to \$ 5,000	74.3	17.2	5.0	2.4	0.8	0.3	100.0
\$ 5,000 to \$ 10,000	67.7	19.3	7.5	3.6	1.3	0.5	100.0
\$ 10,000 to \$ 15,000	60.9	20.2	10.2	5.6	2.2	0.9	100.0
\$ 15,000 to \$ 20,000	56.5	21.4	10.9	6.9	3.0	1.4	100.0
\$ 20,000 to \$ 25,000	53.7	21.9	10.5	7.7	4.2	2.0	100.0
\$ 25,000 to \$ 35,000	52.8	22.5	10.1	7.2	4.2	3.1	100.0
\$ 35,000 to \$ 50,000	49.9	25.4	9.7	7.8	4.0	3.2	100.0
\$ 50,000 to \$ 75,000	35.7	33.8	12.0	11.3	4.6	2.5	100.0
\$ 75,000 to \$ 100,000	19.7	40.4	15.4	16.5	5.8	2.3	100.0
\$ 100,000 to \$ 250,000	10.4	40.5	17.4	22.3	7.1	2.3	100.0
\$ 250,000 and over	9.4	37.2	15.6	24.7	10.0	3.1	100.0
Total	42.4	28.6	11.7	10.8	4.4	2.2	100.0

**Table 7. Federal AGI Classified by Number of Exemptions
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Number of Exemptions						Total
	One	Two	Three	Four	Five	Six or More	
Negative Income	(\$1,000,351)	(\$1,299,481)	(\$354,214)	(\$466,542)	(\$247,137)	(\$160,385)	(\$3,528,110)
\$ 0 to \$ 5,000	156,734	37,341	12,056	5,549	1,987	727	214,393
\$ 5,000 to \$ 10,000	613,007	177,960	70,041	33,792	12,223	5,005	912,029
\$ 10,000 to \$ 15,000	1,061,948	353,158	180,537	99,710	38,450	16,011	1,749,814
\$ 15,000 to \$ 20,000	1,411,331	535,500	272,439	172,579	75,926	34,793	2,502,567
\$ 20,000 to \$ 25,000	1,684,954	686,115	330,295	240,508	131,286	64,486	3,137,644
\$ 25,000 to \$ 35,000	3,876,322	1,654,989	735,003	528,644	309,037	231,949	7,335,944
\$ 35,000 to \$ 50,000	5,826,296	2,987,945	1,135,128	914,504	473,199	377,067	11,714,140
\$ 50,000 to \$ 75,000	6,723,897	6,540,441	2,329,269	2,211,921	894,291	476,650	19,176,470
\$ 75,000 to \$ 100,000	3,370,956	6,994,699	2,670,539	2,868,177	1,000,020	392,898	17,297,289
\$ 100,000 to \$ 250,000	3,937,958	15,915,037	6,907,839	8,997,345	2,881,064	894,857	39,534,100
\$ 250,000 and over	2,484,419	10,487,080	3,510,865	6,065,904	2,553,721	785,497	25,887,484
Total	\$30,147,469	\$45,070,784	\$17,799,798	\$21,672,091	\$8,124,066	\$3,119,554	\$125,933,763

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Number of Exemptions						Total
	One	Two	Three	Four	Five	Six or More	
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.5	0.1	0.1	0.0	0.0	0.0	0.2
\$ 5,000 to \$ 10,000	2.0	0.4	0.4	0.2	0.1	0.2	0.7
\$ 10,000 to \$ 15,000	3.4	0.8	1.0	0.5	0.5	0.5	1.4
\$ 15,000 to \$ 20,000	4.5	1.2	1.5	0.8	0.9	1.1	1.9
\$ 20,000 to \$ 25,000	5.4	1.5	1.8	1.1	1.6	2.0	2.4
\$ 25,000 to \$ 35,000	12.4	3.6	4.0	2.4	3.7	7.1	5.7
\$ 35,000 to \$ 50,000	18.7	6.4	6.3	4.1	5.7	11.5	9.0
\$ 50,000 to \$ 75,000	21.6	14.1	12.8	10.0	10.7	14.5	14.8
\$ 75,000 to \$ 100,000	10.8	15.1	14.7	13.0	11.9	12.0	13.4
\$ 100,000 to \$ 250,000	12.6	34.3	38.1	40.6	34.4	27.3	30.5
\$ 250,000 and over	8.0	22.6	19.3	27.4	30.5	23.9	20.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average Per Return

Adjusted Gross Income Classes	Number of Exemptions						Total
	One	Two	Three	Four	Five	Six or More	
Negative Income	(\$56,323)	(\$129,598)	(\$159,412)	(\$209,212)	(\$264,884)	(\$441,833)	(\$105,204)
\$ 0 to \$ 5,000	2,561	2,639	2,951	2,842	2,880	2,692	2,604
\$ 5,000 to \$ 10,000	7,573	7,715	7,791	7,786	7,876	7,833	7,630
\$ 10,000 to \$ 15,000	12,496	12,550	12,638	12,733	12,753	12,799	12,543
\$ 15,000 to \$ 20,000	17,480	17,513	17,489	17,556	17,616	17,689	17,500
\$ 20,000 to \$ 25,000	22,456	22,482	22,464	22,456	22,604	22,595	22,472
\$ 25,000 to \$ 35,000	29,845	29,877	29,724	29,789	29,732	30,162	29,841
\$ 35,000 to \$ 50,000	41,853	42,252	42,134	42,264	42,145	41,729	42,021
\$ 50,000 to \$ 75,000	60,426	62,209	62,253	62,632	62,147	61,203	61,597
\$ 75,000 to \$ 100,000	85,393	86,639	86,844	87,144	86,770	86,503	86,512
\$ 100,000 to \$ 250,000	135,670	140,945	142,265	144,564	144,813	142,244	141,738
\$ 250,000 and over	643,965	689,395	551,589	601,418	621,797	619,477	633,008
Average	\$35,327	\$78,168	\$75,866	\$99,950	\$92,480	\$70,967	\$62,553

**Table 8. Colorado Net Tax Classified by Number of Exemptions
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Number of Exemptions							
Adjusted Gross Income Classes	One	Two	Three	Four	Five	Six or More	Total
Negative Income	\$137	\$163	\$68	\$76	\$241	\$1	\$686
\$ 0 to \$ 5,000	273	50	22	12	0	1	359
\$ 5,000 to \$ 10,000	464	44	24	4	7	3	546
\$ 10,000 to \$ 15,000	9,406	186	76	26	10	1	9,704
\$ 15,000 to \$ 20,000	24,162	1,657	240	43	16	4	26,122
\$ 20,000 to \$ 25,000	37,169	5,590	1,624	166	17	5	44,571
\$ 25,000 to \$ 35,000	101,562	22,226	9,119	3,328	771	105	137,110
\$ 35,000 to \$ 50,000	170,372	53,660	21,660	13,660	5,337	2,213	266,901
\$ 50,000 to \$ 75,000	209,932	145,186	58,816	50,454	17,934	7,450	489,772
\$ 75,000 to \$ 100,000	112,948	184,494	79,159	80,445	25,741	8,898	491,686
\$ 100,000 to \$ 250,000	139,651	510,159	233,925	297,097	89,750	25,643	1,296,225
\$ 250,000 and over	84,530	368,039	128,278	222,265	90,858	26,659	920,629
Total	\$890,606	\$1,291,453	\$533,009	\$667,576	\$230,683	\$70,982	\$3,684,310

B. Percentage Distribution by Income Class

Number of Exemptions							
Adjusted Gross Income Classes	One	Two	Three	Four	Five	Six or More	Total
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.0	0.0	0.0	0.0	0.0	0.0	0.0
\$ 5,000 to \$ 10,000	0.1	0.0	0.0	0.0	0.0	0.0	0.0
\$ 10,000 to \$ 15,000	1.1	0.0	0.0	0.0	0.0	0.0	0.3
\$ 15,000 to \$ 20,000	2.7	0.1	0.0	0.0	0.0	0.0	0.7
\$ 20,000 to \$ 25,000	4.2	0.4	0.3	0.0	0.0	0.0	1.2
\$ 25,000 to \$ 35,000	11.4	1.7	1.7	0.5	0.3	0.1	3.7
\$ 35,000 to \$ 50,000	19.1	4.2	4.1	2.0	2.3	3.1	7.2
\$ 50,000 to \$ 75,000	23.6	11.2	11.0	7.6	7.8	10.5	13.3
\$ 75,000 to \$ 100,000	12.7	14.3	14.9	12.1	11.2	12.5	13.3
\$ 100,000 to \$ 250,000	15.7	39.5	43.9	44.5	38.9	36.1	35.2
\$ 250,000 and over	9.5	28.5	24.1	33.3	39.4	37.6	25.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average Per Return

Number of Exemptions							
Adjusted Gross Income Classes	One	Two	Three	Four	Five	Six or More	Total
Negative Income	\$8	\$16	\$30	\$34	\$259	\$2	\$20
\$ 0 to \$ 5,000	4	4	5	6	0	3	4
\$ 5,000 to \$ 10,000	6	2	3	1	4	5	5
\$ 10,000 to \$ 15,000	111	7	5	3	3	0	70
\$ 15,000 to \$ 20,000	299	54	15	4	4	2	183
\$ 20,000 to \$ 25,000	495	183	110	16	3	2	319
\$ 25,000 to \$ 35,000	782	401	369	188	74	14	558
\$ 35,000 to \$ 50,000	1,224	759	804	631	475	245	957
\$ 50,000 to \$ 75,000	1,887	1,381	1,572	1,429	1,246	957	1,573
\$ 75,000 to \$ 100,000	2,861	2,285	2,574	2,444	2,234	1,959	2,459
\$ 100,000 to \$ 250,000	4,811	4,518	4,818	4,774	4,511	4,076	4,647
\$ 250,000 and over	21,910	24,194	20,154	22,037	22,123	21,025	22,511
Average	\$1,044	\$2,240	\$2,272	\$3,079	\$2,626	\$1,615	\$1,830

**Table 9. Federal AGI and Taxes, Returns of Residents 65 and Older
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Number of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	8,864	(\$827,879)	\$34	\$91	\$2,014
\$ 0 to \$ 5,000	16,331	38,054	41	40	953
\$ 5,000 to \$ 10,000	19,583	148,736	50	51	1,694
\$ 10,000 to \$ 15,000	24,775	310,329	370	363	3,978
\$ 15,000 to \$ 20,000	21,698	377,890	861	834	7,713
\$ 20,000 to \$ 25,000	17,997	403,757	1,175	1,141	11,210
\$ 25,000 to \$ 35,000	29,322	872,982	3,614	3,507	38,195
\$ 35,000 to \$ 50,000	35,199	1,488,534	10,765	10,329	95,623
\$ 50,000 to \$ 75,000	46,752	2,888,197	35,565	34,011	254,419
\$ 75,000 to \$ 100,000	29,670	2,559,924	44,792	42,546	257,099
\$ 100,000 to \$ 250,000	33,795	4,741,339	125,983	119,054	653,504
\$ 250,000 and over	5,553	5,048,512	189,987	169,002	965,252
Subtotal	289,539	\$18,050,376	\$413,237	\$380,969	\$2,291,654
Returns with zero exemptions	425	\$3,248	\$54	\$53	\$324
Total	289,964	\$18,053,624	\$413,291	\$381,022	\$2,291,978

B. Percentage Distribution by Income Class (excludes returns with zero exemptions)

Adjusted Gross Income Classes	Number of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	5.8	0.2	0.0	0.0	0.0
\$ 5,000 to \$ 10,000	7.0	0.8	0.0	0.0	0.1
\$ 10,000 to \$ 15,000	8.8	1.6	0.1	0.1	0.2
\$ 15,000 to \$ 20,000	7.7	2.0	0.2	0.2	0.3
\$ 20,000 to \$ 25,000	6.4	2.1	0.3	0.3	0.5
\$ 25,000 to \$ 35,000	10.4	4.6	0.9	0.9	1.7
\$ 35,000 to \$ 50,000	12.5	7.9	2.6	2.7	4.2
\$ 50,000 to \$ 75,000	16.7	15.3	8.6	8.9	11.1
\$ 75,000 to \$ 100,000	10.6	13.6	10.8	11.2	11.2
\$ 100,000 to \$ 250,000	12.0	25.1	30.5	31.3	28.5
\$ 250,000 and over	2.0	26.7	46.0	44.4	42.2
Total	100.0	100.0	100.0	100.0	100.0

C. Average per Return (excludes returns with zero exemptions)

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	(\$93,398)	\$4	\$10	\$227
\$ 0 to \$ 5,000	2,330	3	2	58
\$ 5,000 to \$ 10,000	7,595	3	3	87
\$ 10,000 to \$ 15,000	12,526	15	15	161
\$ 15,000 to \$ 20,000	17,416	40	38	355
\$ 20,000 to \$ 25,000	22,435	65	63	623
\$ 25,000 to \$ 35,000	29,772	123	120	1,303
\$ 35,000 to \$ 50,000	42,289	306	293	2,717
\$ 50,000 to \$ 75,000	61,777	761	727	5,442
\$ 75,000 to \$ 100,000	86,280	1,510	1,434	8,665
\$ 100,000 to \$ 250,000	140,297	3,728	3,523	19,337
\$ 250,000 and over	909,150	34,213	30,434	173,825
Average	\$62,342	\$1,427	\$1,316	\$7,915

**Table 10. Number of Returns by Type of Adjustment to Total Income
2009 Individual Income Tax Returns**

A. Number of Returns

Adjusted Gross Income Classes	Educator Expenses	IRA Deduction	Student Loan	Health Savings	Domestic Prod'n	Moving Expenses	Sif-Empld Tax Dedn	Sif-Empld Health Ins	Sif-Empld Retirement	Alimony Paid	Tuition Deduction	Other Dedn	Total
Negative Income	190	356	1,776	1,076	59	118	6,293	3,770	130	438	2,293	3,846	10,666
\$ 0 to \$ 5,000	169	312	2,603	326	75	152	12,760	2,802	56	144	3,471	6,921	16,298
\$ 5,000 to \$ 10,000	376	582	4,539	481	87	313	20,899	3,576	107	214	4,538	11,321	26,573
\$ 10,000 to \$ 15,000	701	930	6,423	597	119	504	21,688	3,942	149	234	1,901	11,732	29,948
\$ 15,000 to \$ 20,000	977	1,439	8,558	871	140	609	17,173	4,161	195	283	1,680	9,673	28,525
\$ 20,000 to \$ 25,000	1,155	1,889	10,207	1,098	177	595	14,924	4,108	234	321	1,542	8,632	28,469
\$ 25,000 to \$ 35,000	4,105	4,572	24,114	2,709	442	1,029	24,344	7,744	536	785	2,477	14,318	56,580
\$ 35,000 to \$ 50,000	8,725	7,697	34,575	4,479	763	1,238	30,405	10,064	1,000	1,432	3,418	18,359	78,788
\$ 50,000 to \$ 75,000	12,588	10,388	42,032	7,263	1,411	1,401	40,669	13,840	1,725	2,626	6,750	25,660	103,057
\$ 75,000 to \$ 100,000	10,288	8,188	27,292	5,691	1,436	744	29,475	9,918	1,881	2,127	3,061	17,852	72,175
\$ 100,000 to \$ 250,000	15,550	10,768	27,902	11,595	4,057	1,096	48,678	20,241	7,085	3,966	12,834	30,113	109,017
\$ 250,000 and over	716	1,226	0	3,900	3,063	126	12,784	8,783	3,937	1,027	3	7,219	20,705
Total	55,540	48,347	190,021	40,086	11,829	7,925	280,092	92,949	17,035	13,597	43,968	165,646	580,801

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Educator Expenses	IRA Deduction	Student Loan	Health Savings	Domestic Prod'n	Moving Expenses	Sif-Empld Tax Dedn	Sif-Empld Health Ins	Sif-Empld Retirement	Alimony Paid	Tuition Deduction	Other Dedn	Total
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.3	0.7	1.4	0.8	0.6	1.9	4.7	3.1	0.3	1.1	8.3	4.3	2.9
\$ 5,000 to \$ 10,000	0.7	1.2	2.4	1.2	0.7	4.0	7.6	4.0	0.6	1.6	10.9	7.0	4.7
\$ 10,000 to \$ 15,000	1.3	1.9	3.4	1.5	1.0	6.5	7.9	4.4	0.9	1.8	4.6	7.3	5.3
\$ 15,000 to \$ 20,000	1.8	3.0	4.5	2.2	1.2	7.8	6.3	4.7	1.2	2.2	4.0	6.0	5.0
\$ 20,000 to \$ 25,000	2.1	3.9	5.4	2.8	1.5	7.6	5.5	4.6	1.4	2.4	3.7	5.3	5.0
\$ 25,000 to \$ 35,000	7.4	9.5	12.8	6.9	3.8	13.2	8.9	8.7	3.2	6.0	5.9	8.8	9.9
\$ 35,000 to \$ 50,000	15.8	16.0	18.4	11.5	6.5	15.9	11.1	11.3	5.9	10.9	8.2	11.3	13.8
\$ 50,000 to \$ 75,000	22.7	21.6	22.3	18.6	12.0	17.9	14.9	15.5	10.2	20.0	16.2	15.9	18.1
\$ 75,000 to \$ 100,000	18.6	17.1	14.5	14.6	12.2	9.5	10.8	11.1	11.1	16.2	7.3	11.0	12.7
\$ 100,000 to \$ 250,000	28.1	22.4	14.8	29.7	34.5	14.0	17.8	22.7	41.9	30.1	30.8	18.6	19.1
\$ 250,000 and over	1.3	2.6	-	10.0	26.0	1.6	4.7	9.8	23.3	7.8	0.0	4.5	3.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Percentage Distribution of Itemized Deductions Within Income Classes

Adjusted Gross Income Classes	Educator Expenses	IRA Deduction	Student Loan	Health Savings	Domestic Prod'n	Moving Expenses	Sif-Empld Tax Dedn	Sif-Empld Health Ins	Sif-Empld Retirement	Alimony Paid	Tuition Deduction	Other Dedn
Negative Income	1.8	3.3	16.7	10.1	0.6	1.1	59.0	35.3	1.2	4.1	21.5	36.1
\$ 0 to \$ 5,000	1.0	1.9	16.0	2.0	0.5	0.9	78.3	17.2	0.3	0.9	21.3	42.5
\$ 5,000 to \$ 10,000	1.4	2.2	17.1	1.8	0.3	1.2	78.6	13.5	0.4	0.8	17.1	42.6
\$ 10,000 to \$ 15,000	2.3	3.1	21.4	2.0	0.4	1.7	72.4	13.2	0.5	0.8	6.3	39.2
\$ 15,000 to \$ 20,000	3.4	5.0	30.0	3.1	0.5	2.1	60.2	14.6	0.7	1.0	5.9	33.9
\$ 20,000 to \$ 25,000	4.1	6.6	35.9	3.9	0.6	2.1	52.4	14.4	0.8	1.1	5.4	30.3
\$ 25,000 to \$ 35,000	7.3	8.1	42.6	4.8	0.8	1.8	43.0	13.7	0.9	1.4	4.4	25.3
\$ 35,000 to \$ 50,000	11.1	9.8	43.9	5.7	1.0	1.6	38.6	12.8	1.3	1.8	4.3	23.3
\$ 50,000 to \$ 75,000	12.2	10.1	40.8	7.0	1.4	1.4	39.5	13.4	1.7	2.5	6.5	24.9
\$ 75,000 to \$ 100,000	14.3	11.3	37.8	7.9	2.0	1.0	40.8	13.7	2.6	2.9	4.2	24.7
\$ 100,000 to \$ 250,000	14.3	9.9	25.6	10.6	3.7	1.0	44.7	18.6	6.5	3.6	11.8	27.6
\$ 250,000 and over	3.5	5.9	0.0	18.8	14.8	0.6	61.7	42.4	19.0	5.0	0.0	34.9
Total	9.6	8.3	32.7	6.9	2.0	1.4	48.2	16.0	2.9	2.3	7.6	28.5

Table 11. Adjustments to Total Income by Type of Deduction
2009 Individual Income Tax Returns

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Educator Expenses	IRA Deduction	Student Loan	Health Savings	Domestic Prodn	Moving Expenses	Slf-Empld Tax Dedn	Slf-Empld Health Ins	Slf-Empld Retirement	Alimony Paid	Tuition Deduction	Other Dedn	Total
Negative Income	\$43	\$1,619	\$1,711	\$3,718	\$1,031	\$399	\$6,013	\$20,171	\$2,526	\$11,856	\$7,647	\$1,560	\$58,293
\$ 0 to \$ 5,000	37	903	1,817	868	16	264	3,716	9,406	245	1,506	11,466	390	30,634
\$ 5,000 to \$ 10,000	88	1,769	3,165	1,251	27	491	10,398	11,986	386	1,984	13,621	960	46,126
\$ 10,000 to \$ 15,000	161	2,633	4,530	1,534	61	706	15,217	14,151	681	2,206	5,069	715	47,663
\$ 15,000 to \$ 20,000	215	4,376	6,375	2,135	93	841	14,674	15,399	995	2,343	4,171	1,031	52,647
\$ 20,000 to \$ 25,000	257	5,676	7,811	2,620	142	906	14,323	15,918	1,281	2,743	3,867	862	56,406
\$ 25,000 to \$ 35,000	980	14,741	19,718	6,090	438	1,573	26,017	32,067	3,840	7,814	5,551	1,368	120,197
\$ 35,000 to \$ 50,000	2,040	27,948	30,848	10,714	967	1,955	34,972	46,288	7,346	13,082	6,791	2,063	185,016
\$ 50,000 to \$ 75,000	3,281	41,245	35,140	19,871	2,319	2,901	50,517	69,670	14,302	30,047	12,738	3,709	285,739
\$ 75,000 to \$ 100,000	2,668	34,576	27,284	17,102	3,043	1,901	42,746	56,568	18,511	29,398	5,874	2,083	241,755
\$ 100,000 to \$ 250,000	3,997	57,166	23,984	43,068	14,417	3,808	102,698	146,082	118,390	82,053	24,675	5,624	625,964
\$ 250,000 and over	172	11,200	0	18,873	82,969	716	57,977	90,062	127,618	53,380	5	2,197	445,170
Total	\$13,940	\$203,854	\$162,383	\$127,843	\$105,522	\$20,637	\$379,269	\$527,769	\$296,122	\$238,411	\$101,475	\$21,710	\$2,195,611

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Educator Expenses	IRA Deduction	Student Loan	Health Savings	Domestic Prodn	Moving Expenses	Slf-Empld Tax Dedn	Slf-Empld Health Ins	Slf-Empld Retirement	Alimony Paid	Tuition Deduction	Other Dedn	Total
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.3	0.4	1.1	0.7	0.0	1.3	1.0	1.9	0.1	0.7	12.2	1.9	1.4
\$ 5,000 to \$ 10,000	0.6	0.9	2.0	1.0	0.0	2.4	2.8	2.4	0.1	0.9	14.5	4.8	2.2
\$ 10,000 to \$ 15,000	1.2	1.3	2.8	1.2	0.1	3.5	4.1	2.8	0.2	1.0	5.4	3.5	2.2
\$ 15,000 to \$ 20,000	1.5	2.2	4.0	1.7	0.1	4.2	3.9	3.0	0.3	1.0	4.4	5.1	2.5
\$ 20,000 to \$ 25,000	1.9	2.8	4.9	2.1	0.1	4.5	3.8	3.1	0.4	1.2	4.1	4.3	2.6
\$ 25,000 to \$ 35,000	7.1	7.3	12.3	4.9	0.4	7.8	7.0	6.3	1.3	3.4	5.9	6.8	5.6
\$ 35,000 to \$ 50,000	14.7	13.8	19.2	8.6	0.9	9.7	9.4	9.1	2.5	5.8	7.2	10.2	8.7
\$ 50,000 to \$ 75,000	23.6	20.4	21.9	16.0	2.2	14.3	13.5	13.7	4.9	13.3	13.6	18.4	13.4
\$ 75,000 to \$ 100,000	19.2	17.1	17.0	13.8	2.9	9.4	11.5	11.1	6.3	13.0	6.3	10.3	11.3
\$ 100,000 to \$ 250,000	28.8	28.3	14.9	34.7	13.8	18.8	27.5	28.8	40.3	36.2	26.3	27.9	29.3
\$ 250,000 and over	1.2	5.5	-	15.2	79.4	3.5	15.5	17.7	43.5	23.6	0.0	10.9	20.8
Total	100.0	100.0	100.0	100.0	100.0	79.4	100.0	100.0	100.0	100.0	100.0	104.2	100.0

C. Average Per Return

Adjusted Gross Income Classes	Educator Expenses	IRA Deduction	Student Loan	Health Savings	Domestic Prodn	Moving Expenses	Slf-Empld Tax Dedn	Slf-Empld Health Ins	Slf-Empld Retirement	Alimony Paid	Tuition Deduction	Other Dedn	Total
Negative Income	\$226	\$4,549	\$964	\$3,455	\$0	\$3,378	\$956	\$5,350	\$19,428	\$27,069	\$3,335	\$406	\$5,465
\$ 0 to \$ 5,000	219	2,896	698	2,663	213	1,738	291	3,357	4,382	10,457	3,303	56	1,880
\$ 5,000 to \$ 10,000	234	3,040	697	2,601	316	1,569	498	3,352	3,610	9,271	3,002	85	1,736
\$ 10,000 to \$ 15,000	230	2,831	705	2,569	508	1,401	702	3,590	4,572	9,426	2,666	61	1,592
\$ 15,000 to \$ 20,000	220	3,041	745	2,451	661	1,381	854	3,701	5,103	8,279	2,483	107	1,846
\$ 20,000 to \$ 25,000	223	3,005	765	2,386	800	1,522	960	3,875	5,476	8,544	2,508	100	1,981
\$ 25,000 to \$ 35,000	239	3,224	818	2,248	991	1,529	1,069	4,141	7,164	9,954	2,241	96	2,124
\$ 35,000 to \$ 50,000	234	3,631	892	2,392	1,267	1,579	1,150	4,599	7,346	9,135	1,987	112	2,348
\$ 50,000 to \$ 75,000	261	3,970	836	2,736	1,644	2,071	1,242	5,034	8,291	11,442	1,887	145	2,773
\$ 75,000 to \$ 100,000	259	4,223	1,000	3,005	2,119	2,555	1,450	5,704	9,841	13,821	1,919	117	3,350
\$ 100,000 to \$ 250,000	257	5,309	860	3,714	3,554	3,475	2,110	7,217	16,710	20,689	1,923	187	5,742
\$ 250,000 and over	240	9,135	0	4,839	27,088	5,685	4,535	10,254	32,415	51,977	1,568	304	21,501
Total	\$251	\$4,217	\$855	\$3,189	\$8,921	\$2,604	\$1,354	\$5,678	\$17,383	\$17,533	\$2,308	\$131	\$3,780

**Table 12. Amount of Federal Exemptions, Deductions, and Taxable Income
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Federal AGI	Personal Exemption	Standard Deduction	Itemized Deduction	Total Deductions	Federal Taxable Income
Negative Income	(\$3,528,110)	\$211,368	\$146,789	\$603,300	(\$3,528,957)	\$847
\$ 0 to \$ 5,000	214,393	401,571	498,668	144,112	212,444	1,949
\$ 5,000 to \$ 10,000	912,029	641,344	739,330	187,477	906,271	5,757
\$ 10,000 to \$ 15,000	1,749,814	834,525	883,645	253,855	1,526,772	223,041
\$ 15,000 to \$ 20,000	2,502,567	917,075	914,838	301,088	1,884,168	618,399
\$ 20,000 to \$ 25,000	3,137,644	945,714	875,574	359,336	2,082,934	1,054,710
\$ 25,000 to \$ 35,000	7,335,944	1,705,519	1,447,454	902,843	4,041,588	3,294,356
\$ 35,000 to \$ 50,000	11,714,140	1,976,651	1,403,322	1,750,940	5,224,327	6,489,813
\$ 50,000 to \$ 75,000	19,176,470	2,444,086	1,270,807	3,395,752	7,209,380	11,967,090
\$ 75,000 to \$ 100,000	17,297,289	1,790,898	585,503	3,146,104	5,648,416	11,648,873
\$ 100,000 to \$ 250,000	39,534,100	2,758,210	369,907	7,137,288	10,357,179	29,176,921
\$ 250,000 and over	25,887,484	324,102	9,028	3,725,166	4,012,309	21,875,176
Total	\$125,933,763	\$14,951,064	\$9,144,864	\$21,907,261	\$39,576,831	\$86,356,932

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Federal AGI	Personal Exemption	Standard Deduction	Itemized Deduction	Total Deductions	Federal Taxable Income
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.2	2.7	5.5	0.7	0.5	0.0
\$ 5,000 to \$ 10,000	0.7	4.4	8.2	0.9	2.1	0.0
\$ 10,000 to \$ 15,000	1.4	5.7	9.8	1.2	3.5	0.3
\$ 15,000 to \$ 20,000	1.9	6.2	10.2	1.4	4.4	0.7
\$ 20,000 to \$ 25,000	2.4	6.4	9.7	1.7	4.8	1.2
\$ 25,000 to \$ 35,000	5.7	11.6	16.1	4.2	9.4	3.8
\$ 35,000 to \$ 50,000	9.0	13.4	15.6	8.2	12.1	7.5
\$ 50,000 to \$ 75,000	14.8	16.6	14.1	15.9	16.7	13.9
\$ 75,000 to \$ 100,000	13.4	12.2	6.5	14.8	13.1	13.5
\$ 100,000 to \$ 250,000	30.5	18.7	4.1	33.5	24.0	33.8
\$ 250,000 and over	20.0	2.2	0.1	17.5	9.3	25.3
Total	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Personal Exemption	Standard Deduction	Itemized Deduction	Total Deductions	Federal Taxable Income
Negative Income	(\$105,204)	\$6,303	\$7,914	\$40,250	(\$105,229)	\$25
\$ 0 to \$ 5,000	2,604	4,877	6,683	18,660	2,580	24
\$ 5,000 to \$ 10,000	7,630	5,366	6,782	17,828	7,582	48
\$ 10,000 to \$ 15,000	12,543	5,982	7,110	16,680	10,944	1,599
\$ 15,000 to \$ 20,000	17,500	6,413	7,316	16,762	13,175	4,324
\$ 20,000 to \$ 25,000	22,472	6,773	7,447	16,290	14,918	7,554
\$ 25,000 to \$ 35,000	29,841	6,938	7,614	16,199	16,441	13,401
\$ 35,000 to \$ 50,000	42,021	7,091	8,119	16,531	18,741	23,280
\$ 50,000 to \$ 75,000	61,597	7,851	9,415	19,256	23,157	38,440
\$ 75,000 to \$ 100,000	86,512	8,957	10,560	21,773	28,251	58,262
\$ 100,000 to \$ 250,000	141,738	9,889	11,119	29,054	37,133	104,605
\$ 250,000 and over	633,008	7,925	11,090	92,939	98,110	534,898
Average	\$62,553	\$7,426	\$7,907	\$25,572	\$19,658	\$42,895

**Table 13. Number of Returns Classified by Source of Taxable Income
2009 Individual Income Tax Returns**

A. Number of Returns

Adjusted Gross Income Classes	Wage Income	Taxable Interest	Dividend Income	Capital Gains	Pension & Social Sec	Business Income	Farm Income	Rents/ Royalties	Other Income	Total
Negative Income	12,737	20,464	13,141	15,905	6,449	15,481	3,103	18,918	18,891	33,319
\$ 0 to \$ 5,000	50,166	22,738	12,710	10,037	10,335	16,677	830	7,075	9,715	79,217
\$ 5,000 to \$ 10,000	87,696	28,730	15,699	12,006	18,604	23,861	1,084	9,717	16,607	119,530
\$ 10,000 to \$ 15,000	105,118	35,268	18,139	12,888	26,378	25,020	1,185	11,100	22,821	139,504
\$ 15,000 to \$ 20,000	115,153	35,536	17,885	12,486	27,436	21,050	1,268	11,587	26,869	143,005
\$ 20,000 to \$ 25,000	117,601	35,532	17,508	12,043	27,416	18,875	1,227	11,810	28,886	139,625
\$ 25,000 to \$ 35,000	214,667	70,737	34,325	23,305	52,458	32,520	2,497	23,285	57,796	245,830
\$ 35,000 to \$ 50,000	245,545	105,603	52,181	35,064	70,340	42,140	3,355	35,801	92,946	278,767
\$ 50,000 to \$ 75,000	273,260	159,508	83,095	56,647	99,826	57,018	5,015	56,936	146,619	311,321
\$ 75,000 to \$ 100,000	179,118	123,701	70,354	49,002	69,569	41,141	3,577	46,707	114,723	199,941
\$ 100,000 to \$ 250,000	256,803	210,592	139,468	105,719	95,240	63,846	5,005	85,344	189,022	278,924
\$ 250,000 and over	35,834	38,226	31,389	29,599	11,395	11,425	1,274	25,154	26,899	40,897
Total	1,693,698	886,635	505,894	374,701	515,446	369,054	29,420	343,434	751,794	2,009,880

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Wage Income	Taxable Interest	Dividend Income	Capital Gains	Pension & Social Sec	Business Income	Farm Income	Rents/ Royalties	Other Income	Total
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	3.0	2.6	2.6	2.8	2.0	4.7	3.2	2.2	1.3	4.0
\$ 5,000 to \$ 10,000	5.2	3.3	3.2	3.3	3.7	6.7	4.1	3.0	2.3	6.0
\$ 10,000 to \$ 15,000	6.3	4.1	3.7	3.6	5.2	7.1	4.5	3.4	3.1	7.1
\$ 15,000 to \$ 20,000	6.9	4.1	3.6	3.5	5.4	6.0	4.8	3.6	3.7	7.2
\$ 20,000 to \$ 25,000	7.0	4.1	3.6	3.4	5.4	5.3	4.7	3.6	3.9	7.1
\$ 25,000 to \$ 35,000	12.8	8.2	7.0	6.5	10.3	9.2	9.5	7.2	7.9	12.4
\$ 35,000 to \$ 50,000	14.6	12.2	10.6	9.8	13.8	11.9	12.7	11.0	12.7	14.1
\$ 50,000 to \$ 75,000	16.3	18.4	16.9	15.8	19.6	16.1	19.1	17.5	20.0	15.8
\$ 75,000 to \$ 100,000	10.7	14.3	14.3	13.7	13.7	11.6	13.6	14.4	15.7	10.1
\$ 100,000 to \$ 250,000	15.3	24.3	28.3	29.5	18.7	18.1	19.0	26.3	25.8	14.1
\$ 250,000 and over	2.1	4.4	6.4	8.2	2.2	3.2	4.8	7.8	3.7	2.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Percentage Distribution of Sources of Income Within Income Classes

Adjusted Gross Income Classes	Wage Income	Taxable Interest	Dividend Income	Capital Gains	Pension & Social Sec	Business Income	Farm Income	Rents/ Royalties	Other Income
Negative Income	38.2	61.4	39.4	47.7	19.4	46.5	9.3	56.8	56.7
\$ 0 to \$ 5,000	63.3	28.7	16.0	12.7	13.0	21.1	1.0	8.9	12.3
\$ 5,000 to \$ 10,000	73.4	24.0	13.1	10.0	15.6	20.0	0.9	8.1	13.9
\$ 10,000 to \$ 15,000	75.4	25.3	13.0	9.2	18.9	17.9	0.8	8.0	16.4
\$ 15,000 to \$ 20,000	80.5	24.8	12.5	8.7	19.2	14.7	0.9	8.1	18.8
\$ 20,000 to \$ 25,000	84.2	25.4	12.5	8.6	19.6	13.5	0.9	8.5	20.7
\$ 25,000 to \$ 35,000	87.3	28.8	14.0	9.5	21.3	13.2	1.0	9.5	23.5
\$ 35,000 to \$ 50,000	88.1	37.9	18.7	12.6	25.2	15.1	1.2	12.8	33.3
\$ 50,000 to \$ 75,000	87.8	51.2	26.7	18.2	32.1	18.3	1.6	18.3	47.1
\$ 75,000 to \$ 100,000	89.6	61.9	35.2	24.5	34.8	20.6	1.8	23.4	57.4
\$ 100,000 to \$ 250,000	92.1	75.5	50.0	37.9	34.1	22.9	1.8	30.6	67.8
\$ 250,000 and over	87.6	93.5	76.8	72.4	27.9	27.9	3.1	61.5	65.8
Total	84.3	44.1	25.2	18.6	25.6	18.4	1.5	17.1	37.4

**Table 14. Colorado Income by Source of Taxable Income
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Wage Income	Taxable Interest	Dividend Income	Capital Gains	Pension & Social Sec	Business Income	Farm Income	Rents/ Royalties	Other Income	Total
Negative Income	\$401,058	\$181,653	\$83,730	\$220,601	\$114,068	(\$436,516)	(\$129,701)	(\$1,744,939)	(\$2,154,440)	(\$3,464,485)
\$ 0 to \$ 5,000	198,144	20,232	18,874	(12,362)	34,619	34,491	(6,573)	(25,101)	(16,646)	245,678
\$ 5,000 to \$ 10,000	666,495	37,467	30,340	(11,418)	107,079	118,204	(6,839)	(16,099)	32,754	957,982
\$ 10,000 to \$ 15,000	1,236,809	53,580	39,445	(9,720)	224,403	179,707	(7,639)	(3,650)	84,244	1,797,179
\$ 15,000 to \$ 20,000	1,880,773	55,646	39,644	(3,408)	291,131	163,733	(8,724)	1,793	134,561	2,555,149
\$ 20,000 to \$ 25,000	2,450,769	53,884	38,894	(1,144)	337,514	154,513	(7,114)	6,573	159,801	3,193,689
\$ 25,000 to \$ 35,000	5,983,254	104,020	78,309	(2,520)	796,354	269,106	(16,187)	31,949	211,304	7,455,589
\$ 35,000 to \$ 50,000	9,490,530	155,770	122,890	10,004	1,457,823	346,178	(22,195)	91,210	246,139	11,898,349
\$ 50,000 to \$ 75,000	14,937,731	269,294	222,383	46,696	2,921,420	497,218	(35,887)	243,009	359,432	19,461,295
\$ 75,000 to \$ 100,000	13,487,642	229,753	212,011	88,069	2,527,089	427,735	(16,921)	326,224	259,134	17,540,736
\$ 100,000 to \$ 250,000	30,527,059	564,542	616,555	545,880	4,249,194	1,201,523	(36,631)	1,993,630	494,389	40,156,140
\$ 250,000 and over	11,452,119	974,839	1,625,470	4,000,900	711,866	723,159	(36,105)	5,634,374	1,232,094	26,318,715
Total	\$92,712,380	\$2,700,680	\$3,128,545	\$4,871,576	\$13,772,560	\$3,679,050	(\$330,515)	\$6,538,974	\$1,042,766	\$128,116,016

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Wage Income	Taxable Interest	Dividend Income	Capital Gains	Pension & Social Sec	Business Income	Farm Income	Rents/ Royalties	Other Income	Total
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.2	0.8	0.6	(0.3)	0.3	0.8	3.3	(0.3)	(0.5)	0.2
\$ 5,000 to \$ 10,000	0.7	1.5	1.0	(0.2)	0.8	2.9	3.4	(0.2)	1.0	0.7
\$ 10,000 to \$ 15,000	1.3	2.1	1.3	(0.2)	1.6	4.4	3.8	(0.0)	2.6	1.4
\$ 15,000 to \$ 20,000	2.0	2.2	1.3	(0.1)	2.1	4.0	4.3	0.0	4.2	1.9
\$ 20,000 to \$ 25,000	2.7	2.1	1.3	(0.0)	2.5	3.8	3.5	0.1	5.0	2.4
\$ 25,000 to \$ 35,000	6.5	4.1	2.6	(0.1)	5.8	6.5	8.1	0.4	6.6	5.7
\$ 35,000 to \$ 50,000	10.3	6.2	4.0	0.2	10.7	8.4	11.1	1.1	7.7	9.0
\$ 50,000 to \$ 75,000	16.2	10.7	7.3	1.0	21.4	12.1	17.9	2.9	11.2	14.8
\$ 75,000 to \$ 100,000	14.6	9.1	7.0	1.9	18.5	10.4	8.4	3.9	8.1	13.3
\$ 100,000 to \$ 250,000	33.1	22.4	20.2	11.7	31.1	29.2	18.2	24.1	15.5	30.5
\$ 250,000 and over	12.4	38.7	53.4	86.0	5.2	17.6	18.0	68.0	38.5	20.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Percentage Distribution By Source of Income

Adjusted Gross Income Classes	Wage Income	Taxable Interest	Dividend Income	Capital Gains	Pension & Social Sec	Business Income	Farm Income	Rents/ Royalties	Other Income	Total
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	67.4	6.9	6.4	(4.2)	11.8	11.7	N/A	N/A	N/A	100.0
\$ 5,000 to \$ 10,000	69.1	3.9	3.1	(1.2)	11.1	12.3	N/A	(1.7)	3.4	100.0
\$ 10,000 to \$ 15,000	68.5	3.0	2.2	(0.5)	12.4	10.0	N/A	(0.2)	4.7	100.0
\$ 15,000 to \$ 20,000	73.4	2.2	1.5	(0.1)	11.4	6.4	N/A	0.1	5.2	100.0
\$ 20,000 to \$ 25,000	76.6	1.7	1.2	(0.0)	10.5	4.8	N/A	0.2	5.0	100.0
\$ 25,000 to \$ 35,000	80.1	1.4	1.0	(0.0)	10.7	3.6	N/A	0.4	2.8	100.0
\$ 35,000 to \$ 50,000	79.6	1.3	1.0	0.1	12.2	2.9	N/A	0.8	2.1	100.0
\$ 50,000 to \$ 75,000	76.6	1.4	1.1	0.2	15.0	2.6	N/A	1.2	1.8	100.0
\$ 75,000 to \$ 100,000	76.8	1.3	1.2	0.5	14.4	2.4	N/A	1.9	1.5	100.0
\$ 100,000 to \$ 250,000	76.0	1.4	1.5	1.4	10.6	3.0	N/A	5.0	1.2	100.0
\$ 250,000 and over	43.5	3.7	6.2	15.2	2.7	2.7	N/A	21.4	4.7	100.0
Total	72.2	2.1	2.4	3.8	10.7	2.9	N/A	5.1	0.8	100.0

D. Average Per Return

Adjusted Gross Income Classes	Wage Income	Taxable Interest	Dividend Income	Capital Gains	Pension & Social Sec	Business Income	Farm Income	Rents/ Royalties	Other Income	Total
Negative Income	\$31,488	\$8,877	\$6,372	\$13,870	\$17,688	(\$28,197)	(\$41,799)	(\$92,237)	(\$114,046)	(\$103,979)
\$ 0 to \$ 5,000	3,950	890	1,485	(1,232)	3,350	2,068	(7,919)	(3,548)	(1,713)	3,101
\$ 5,000 to \$ 10,000	7,600	1,304	1,933	(951)	5,756	4,954	(6,309)	(1,657)	1,972	8,015
\$ 10,000 to \$ 15,000	11,766	1,519	2,175	(754)	8,507	7,183	(6,447)	(329)	3,692	12,883
\$ 15,000 to \$ 20,000	16,333	1,566	2,217	(273)	10,611	7,778	(6,880)	155	5,008	17,868
\$ 20,000 to \$ 25,000	20,840	1,516	2,221	(95)	12,311	8,186	(5,798)	557	5,532	22,873
\$ 25,000 to \$ 35,000	27,872	1,471	2,281	(108)	15,181	8,275	(6,483)	1,372	3,656	30,328
\$ 35,000 to \$ 50,000	38,651	1,475	2,355	285	20,725	8,215	(6,615)	2,548	2,648	42,682
\$ 50,000 to \$ 75,000	54,665	1,688	2,676	824	29,265	8,720	(7,156)	4,268	2,451	62,512
\$ 75,000 to \$ 100,000	75,300	1,857	3,013	1,797	36,325	10,397	(4,730)	6,984	2,259	87,730
\$ 100,000 to \$ 250,000	118,873	2,681	4,421	5,163	44,616	18,819	(7,319)	23,360	2,616	143,968
\$ 250,000 and over	319,588	25,502	51,785	135,170	62,472	63,296	(28,340)	223,995	45,804	643,537
Average	\$54,740	\$3,046	\$6,184	\$13,001	\$26,720	\$9,969	(\$11,234)	\$19,040	\$1,387	\$63,743

**Table 15. Number of Returns by Type of Itemized Deduction
2009 Individual Income Tax Returns**

A. Number of Returns

Adjusted Gross Income Classes	Medical Expense	State Income Taxes	Real Estate Taxes	Other Taxes	Home Mortgage	Other Interest	Contri- butions	Other Deductions	Total
Negative Income	10,122	11,023	13,416	7,890	12,333	3,656	0	8,549	14,989
\$ 0 to \$ 5,000	5,673	6,653	6,470	4,271	5,564	842	4,693	3,788	7,723
\$ 5,000 to \$ 10,000	7,196	9,476	8,813	6,091	7,454	1,118	6,954	4,168	10,516
\$ 10,000 to \$ 15,000	9,967	13,920	12,525	9,149	10,568	1,342	10,059	4,952	15,219
\$ 15,000 to \$ 20,000	10,002	16,800	14,847	11,286	12,997	1,566	12,213	5,181	17,962
\$ 20,000 to \$ 25,000	10,659	21,016	18,377	14,532	16,843	1,894	15,203	6,076	22,059
\$ 25,000 to \$ 35,000	21,482	54,408	47,028	38,762	45,038	4,848	38,599	14,888	55,734
\$ 35,000 to \$ 50,000	31,040	104,644	93,242	79,957	91,710	9,859	77,548	26,617	105,916
\$ 50,000 to \$ 75,000	41,712	175,354	162,399	143,097	159,014	20,369	139,938	41,414	176,344
\$ 75,000 to \$ 100,000	24,614	144,117	137,681	124,105	133,857	20,061	122,706	30,577	144,494
\$ 100,000 to \$ 250,000	20,768	245,390	237,400	217,044	226,330	44,235	223,805	47,135	245,656
\$ 250,000 and over	676	40,045	38,763	32,390	32,627	12,812	38,162	7,462	40,082
Total	193,910	842,847	790,961	688,576	754,336	122,602	689,882	200,809	856,696

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Medical Expense	State Income Taxes	Real Estate Taxes	Other Taxes	Home Mortgage	Other Interest	Contri- butions	Other Deductions	Total
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	3.1	0.8	0.8	0.6	0.7	0.7	0.7	2.0	0.9
\$ 5,000 to \$ 10,000	3.9	1.1	1.1	0.9	1.0	0.9	1.0	2.2	1.2
\$ 10,000 to \$ 15,000	5.4	1.7	1.6	1.3	1.4	1.1	1.5	2.6	1.8
\$ 15,000 to \$ 20,000	5.4	2.0	1.9	1.7	1.8	1.3	1.8	2.7	2.1
\$ 20,000 to \$ 25,000	5.8	2.5	2.4	2.1	2.3	1.6	2.2	3.2	2.6
\$ 25,000 to \$ 35,000	11.7	6.5	6.0	5.7	6.1	4.1	5.6	7.7	6.6
\$ 35,000 to \$ 50,000	16.9	12.6	12.0	11.7	12.4	8.3	11.2	13.8	12.6
\$ 50,000 to \$ 75,000	22.7	21.1	20.9	21.0	21.4	17.1	20.3	21.5	21.0
\$ 75,000 to \$ 100,000	13.4	17.3	17.7	18.2	18.0	16.9	17.8	15.9	17.2
\$ 100,000 to \$ 250,000	11.3	29.5	30.5	31.9	30.5	37.2	32.4	24.5	29.2
\$ 250,000 and over	0.4	4.8	5.0	4.8	4.4	10.8	5.5	3.9	4.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Percentage Distribution of Itemized Deductions Within Income Classes

Adjusted Gross Income Classes	Medical Expense	State Income Taxes	Real Estate Taxes	Other Taxes	Home Mortgage	Other Interest	Contri- butions	Other Deductions
Negative Income	67.5	73.5	89.5	52.6	82.3	24.4	-	57.0
\$ 0 to \$ 5,000	73.5	86.1	83.8	55.3	72.0	10.9	60.8	49.0
\$ 5,000 to \$ 10,000	68.4	90.1	83.8	57.9	70.9	10.6	66.1	39.6
\$ 10,000 to \$ 15,000	65.5	91.5	82.3	60.1	69.4	8.8	66.1	32.5
\$ 15,000 to \$ 20,000	55.7	93.5	82.7	62.8	72.4	8.7	68.0	28.8
\$ 20,000 to \$ 25,000	48.3	95.3	83.3	65.9	76.4	8.6	68.9	27.5
\$ 25,000 to \$ 35,000	38.5	97.6	84.4	69.5	80.8	8.7	69.3	26.7
\$ 35,000 to \$ 50,000	29.3	98.8	88.0	75.5	86.6	9.3	73.2	25.1
\$ 50,000 to \$ 75,000	23.7	99.4	92.1	81.1	90.2	11.6	79.4	23.5
\$ 75,000 to \$ 100,000	17.0	99.7	95.3	85.9	92.6	13.9	84.9	21.2
\$ 100,000 to \$ 250,000	8.5	99.9	96.6	88.4	92.1	18.0	91.1	19.2
\$ 250,000 and over	1.7	99.9	96.7	80.8	81.4	32.0	95.2	18.6
Total	22.6	98.4	92.3	80.4	88.1	14.3	80.5	23.4

**Table 16. Type and Amount of Itemized Deductions
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Medical Expense	State Income Taxes	Real Estate Taxes	Other Taxes	Home Mortgage Interest	Other Interest	Contri- butions	Other Deductions	Total
Negative Income	\$91,510	\$47,750	\$56,928	\$21,104	\$222,772	\$43,236	\$0	\$120,000	\$603,300
\$ 0 to \$ 5,000	50,323	5,645	12,962	1,316	59,785	820	3,315	9,947	144,112
\$ 5,000 to \$ 10,000	63,946	8,080	16,546	1,809	74,424	1,056	9,163	12,247	187,271
\$ 10,000 to \$ 15,000	82,242	11,671	21,589	2,578	99,974	1,267	16,182	18,352	253,855
\$ 15,000 to \$ 20,000	81,635	16,086	25,249	3,411	126,089	1,310	21,619	24,544	299,943
\$ 20,000 to \$ 25,000	80,547	21,275	29,747	4,739	162,679	1,542	27,478	31,329	359,336
\$ 25,000 to \$ 35,000	151,207	61,078	73,761	12,645	430,307	3,327	71,096	86,539	889,960
\$ 35,000 to \$ 50,000	208,839	170,472	145,806	26,206	885,699	7,370	145,746	160,802	1,750,940
\$ 50,000 to \$ 75,000	294,542	397,705	289,830	52,541	1,766,499	15,641	311,817	267,176	3,395,752
\$ 75,000 to \$ 100,000	180,678	466,635	278,860	54,013	1,630,685	14,861	323,392	196,981	3,146,104
\$ 100,000 to \$ 250,000	193,085	1,402,527	671,429	134,475	3,391,676	56,728	868,911	418,457	7,137,288
\$ 250,000 and over	18,496	1,140,056	257,998	36,692	805,287	241,772	886,748	338,117	3,725,166
Total	\$1,497,050	\$3,748,980	\$1,880,706	\$351,529	\$9,655,876	\$388,928	\$2,685,468	\$1,684,491	\$21,893,028

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Medical Expense	State Income Taxes	Real Estate Taxes	Other Taxes	Home Mortgage Interest	Other Interest	Contri- butions	Other Deductions	Total
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	3.6	0.2	0.7	0.4	0.6	0.2	0.1	0.6	0.7
\$ 5,000 to \$ 10,000	4.5	0.2	0.9	0.5	0.8	0.3	0.3	0.8	0.9
\$ 10,000 to \$ 15,000	5.9	0.3	1.2	0.8	1.1	0.4	0.6	1.2	1.2
\$ 15,000 to \$ 20,000	5.8	0.4	1.4	1.0	1.3	0.4	0.8	1.6	1.4
\$ 20,000 to \$ 25,000	5.7	0.6	1.6	1.4	1.7	0.4	1.0	2.0	1.7
\$ 25,000 to \$ 35,000	10.8	1.7	4.0	3.8	4.6	1.0	2.6	5.5	4.2
\$ 35,000 to \$ 50,000	14.9	4.6	8.0	7.9	9.4	2.1	5.4	10.3	8.2
\$ 50,000 to \$ 75,000	21.0	10.7	15.9	15.9	18.7	4.5	11.6	17.1	16.0
\$ 75,000 to \$ 100,000	12.9	12.6	15.3	16.3	17.3	4.3	12.0	12.6	14.8
\$ 100,000 to \$ 250,000	13.7	37.9	36.8	40.7	36.0	16.4	32.4	26.7	33.5
\$ 250,000 and over	1.3	30.8	14.1	11.1	8.5	69.9	33.0	21.6	17.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average Deductions

Adjusted Gross Income Classes	Medical Expense	State Income Taxes	Real Estate Taxes	Other Taxes	Home Mortgage Interest	Other Interest	Contri- butions	Other Deductions	Total
Negative Income	\$9,041	\$4,332	\$4,243	\$2,675	\$18,063	\$11,826	\$0	\$14,037	\$40,250
\$ 0 to \$ 5,000	8,871	849	2,003	308	10,745	973	706	2,626	18,660
\$ 5,000 to \$ 10,000	8,886	853	1,877	297	9,984	945	1,318	2,938	17,808
\$ 10,000 to \$ 15,000	8,251	838	1,724	282	9,460	944	1,609	3,706	16,680
\$ 15,000 to \$ 20,000	8,162	958	1,701	302	9,701	836	1,770	4,737	16,699
\$ 20,000 to \$ 25,000	7,557	1,012	1,619	326	9,659	814	1,807	5,156	16,290
\$ 25,000 to \$ 35,000	7,039	1,123	1,568	326	9,554	686	1,842	5,813	15,968
\$ 35,000 to \$ 50,000	6,728	1,629	1,564	328	9,658	748	1,879	6,041	16,531
\$ 50,000 to \$ 75,000	7,061	2,268	1,785	367	11,109	768	2,228	6,451	19,256
\$ 75,000 to \$ 100,000	7,340	3,238	2,025	435	12,182	741	2,635	6,442	21,773
\$ 100,000 to \$ 250,000	9,297	5,716	2,828	620	14,986	1,282	3,882	8,878	29,054
\$ 250,000 and over	27,361	28,469	6,656	1,133	24,682	18,871	23,236	45,312	92,939
Average	\$7,720	\$4,448	\$2,378	\$511	\$12,800	\$3,172	\$3,893	\$8,389	\$25,555

Note: Filers may claim itemized deductions; however, unless specifically requested otherwise, the IRS assigns standard deductions to filers when their itemized deductions are less than applicable standard deductions.

**Table 17. Federal AGI and Taxes by Planning Region
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Region	Number of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Average Federal AGI	Average Colorado Gross Tax	Average Colorado Net Tax	Average Federal Tax
Region 1	26,214	\$1,123,432	\$31,473	\$28,782	\$122,004	\$42,856	\$1,201	\$1,098	\$4,654
Region 2	220,540	12,473,396	367,113	350,753	1,437,512	56,558	1,665	1,590	6,518
Region 3	1,153,570	78,867,838	2,494,914	2,396,222	10,544,943	68,368	2,163	2,077	9,141
Region 4	229,812	13,279,003	377,492	365,689	1,494,014	57,782	1,643	1,591	6,501
Region 5	13,341	878,874	26,095	24,998	103,316	65,878	1,956	1,874	7,744
Region 6	17,731	709,794	18,593	17,376	73,533	40,031	1,049	980	4,147
Region 7	59,961	2,713,592	68,269	66,951	258,805	45,256	1,139	1,117	4,316
Region 8	16,690	636,433	16,317	15,150	64,580	38,133	978	908	3,869
Region 9	34,824	1,862,101	51,814	45,499	225,331	53,472	1,488	1,307	6,471
Region 10	35,846	1,646,811	44,599	42,031	178,278	45,941	1,244	1,173	4,973
Region 11	90,067	5,077,244	146,718	139,369	585,553	56,372	1,629	1,547	6,501
Region 12	58,972	3,990,816	132,989	121,716	593,666	67,673	2,255	2,064	10,067
Region 13	26,591	1,166,617	28,903	27,918	113,237	43,873	1,087	1,050	4,258
Region 14	8,048	310,696	7,706	7,435	28,417	38,605	958	924	3,531
Region 15	21,016	1,197,118	36,180	34,424	145,801	56,962	1,722	1,638	6,938
Total	2,013,223	\$125,933,763	\$3,849,175	\$3,684,313	\$15,968,990	\$62,553	\$1,912	\$1,830	\$7,932
Percent of State Total						Percent of State Average			
Region	Number of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Average Federal AGI	Average Colorado Gross Tax	Average Colorado Net Tax	Average Federal Tax
Region 1	1.3	0.9	0.8	0.8	0.8	68.5	62.8	60.0	58.7
Region 2	11.0	9.9	9.5	9.5	9.0	90.4	87.1	86.9	82.2
Region 3	57.3	62.6	64.8	65.0	66.0	109.3	113.1	113.5	115.2
Region 4	11.4	10.5	9.8	9.9	9.4	92.4	85.9	87.0	82.0
Region 5	0.7	0.7	0.7	0.7	0.6	105.3	102.3	102.4	97.6
Region 6	0.9	0.6	0.5	0.5	0.5	64.0	54.8	53.5	52.3
Region 7	3.0	2.2	1.8	1.8	1.6	72.3	59.5	61.0	54.4
Region 8	0.8	0.5	0.4	0.4	0.4	61.0	51.1	49.6	48.8
Region 9	1.7	1.5	1.3	1.2	1.4	85.5	77.8	71.4	81.6
Region 10	1.8	1.3	1.2	1.1	1.1	73.4	65.1	64.1	62.7
Region 11	4.5	4.0	3.8	3.8	3.7	90.1	85.2	84.6	82.0
Region 12	2.9	3.2	3.5	3.3	3.7	108.2	117.9	112.8	126.9
Region 13	1.3	0.9	0.8	0.8	0.7	70.1	56.9	57.4	53.7
Region 14	0.4	0.2	0.2	0.2	0.2	61.7	50.1	50.5	44.5
Region 15	1.0	1.0	0.9	0.9	0.9	91.1	90.0	89.5	87.5
Total	100.0	100.0	100.0	100.0	100.0				

(Table 17 continued on next page)

**Table 17 (cont'd). Federal AGI and Taxes by Planning Region
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Region 1					Region 2				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	771	(\$87,599)	\$1	\$1	\$378	3,946	(\$414,761)	\$59	\$70	\$1,861
\$ 0 to \$ 5,000	1,254	3,366	1	1	159	9,408	24,465	25	28	865
\$ 5,000 to \$ 10,000	1,755	13,441	5	4	301	13,541	102,950	54	55	2,194
\$ 10,000 to \$ 15,000	2,067	25,817	113	109	693	15,441	193,427	1,145	1,139	4,941
\$ 15,000 to \$ 20,000	2,124	37,201	343	333	1,185	15,826	277,188	3,079	3,061	8,999
\$ 20,000 to \$ 25,000	2,112	47,505	571	556	1,694	15,543	349,411	5,084	5,063	13,826
\$ 25,000 to \$ 35,000	3,838	114,109	1,900	1,827	5,424	26,613	792,832	14,489	14,401	40,490
\$ 35,000 to \$ 50,000	3,977	166,283	3,490	3,314	9,970	29,818	1,255,477	27,711	27,482	79,583
\$ 50,000 to \$ 75,000	4,127	253,876	6,370	6,022	19,418	35,088	2,168,815	54,534	53,839	168,076
\$ 75,000 to \$ 100,000	2,217	190,906	5,627	5,246	18,466	23,465	2,029,187	57,903	57,040	181,899
\$ 100,000 to \$ 250,000	1,749	236,858	8,047	7,378	34,278	28,791	3,982,720	133,240	129,909	528,064
\$ 250,000 and over	224	121,669	5,006	3,993	30,040	3,060	1,711,684	69,789	58,667	406,715
Total	26,214	\$1,123,432	\$31,473	\$28,782	\$122,004	220,540	\$12,473,396	\$367,113	\$350,753	\$1,437,512

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	4.9	0.3	0.0	0.0	0.1	4.3	0.2	0.0	0.0	0.1
\$ 5,000 to \$ 10,000	6.9	1.1	0.0	0.0	0.2	6.3	0.8	0.0	0.0	0.2
\$ 10,000 to \$ 15,000	8.1	2.1	0.4	0.4	0.6	7.1	1.5	0.3	0.3	0.3
\$ 15,000 to \$ 20,000	8.3	3.1	1.1	1.2	1.0	7.3	2.2	0.8	0.9	0.6
\$ 20,000 to \$ 25,000	8.3	3.9	1.8	1.9	1.4	7.2	2.7	1.4	1.4	1.0
\$ 25,000 to \$ 35,000	15.1	9.4	6.0	6.3	4.5	12.3	6.2	3.9	4.1	2.8
\$ 35,000 to \$ 50,000	15.6	13.7	11.1	11.5	8.2	13.8	9.7	7.5	7.8	5.5
\$ 50,000 to \$ 75,000	16.2	21.0	20.2	20.9	16.0	16.2	16.8	14.9	15.4	11.7
\$ 75,000 to \$ 100,000	8.7	15.8	17.9	18.2	15.2	10.8	15.7	15.8	16.3	12.7
\$ 100,000 to \$ 250,000	6.9	19.6	25.6	25.6	28.2	13.3	30.9	36.3	37.0	36.8
\$ 250,000 and over	0.9	10.0	15.9	13.9	24.7	1.4	13.3	19.0	16.7	28.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$113,617)	\$1	\$1	\$490	(\$105,109)	\$15	\$18	\$472
\$ 0 to \$ 5,000	2,684	1	1	127	2,600	3	3	92
\$ 5,000 to \$ 10,000	7,659	3	2	171	7,603	4	4	162
\$ 10,000 to \$ 15,000	12,490	55	53	335	12,527	74	74	320
\$ 15,000 to \$ 20,000	17,515	162	157	558	17,515	195	193	569
\$ 20,000 to \$ 25,000	22,493	270	263	802	22,480	327	326	890
\$ 25,000 to \$ 35,000	29,731	495	476	1,413	29,791	544	541	1,521
\$ 35,000 to \$ 50,000	41,811	878	833	2,507	42,105	929	922	2,669
\$ 50,000 to \$ 75,000	61,516	1,544	1,459	4,705	61,811	1,554	1,534	4,790
\$ 75,000 to \$ 100,000	86,110	2,538	2,366	8,329	86,477	2,468	2,431	7,752
\$ 100,000 to \$ 250,000	135,425	4,601	4,218	19,599	138,332	4,628	4,512	18,341
\$ 250,000 and over	543,167	22,347	17,825	134,108	559,374	22,807	19,172	132,913
Average	\$42,856	\$1,201	\$1,098	\$4,654	\$56,558	\$1,665	\$1,590	\$6,518

Region 1 contains Logan, Morgan, Yuma, Washington, Phillips, and Sedgwick counties.
Region 2 contains Larimer and Weld counties.

(Table 17 continued on next page)

**Table 17 (cont'd). Federal AGI and Taxes by Planning Region
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Region 3					Region 4				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	16,372	(\$1,986,796)	\$149	\$337	\$8,437	3,182	(\$270,063)	\$37	\$36	\$1,167
\$ 0 to \$ 5,000	43,656	112,528	202	203	4,289	9,484	24,579	48	48	822
\$ 5,000 to \$ 10,000	63,593	486,107	314	323	12,439	13,920	106,230	56	55	2,282
\$ 10,000 to \$ 15,000	75,141	943,719	5,240	5,217	27,649	16,475	206,279	1,168	1,165	5,457
\$ 15,000 to \$ 20,000	77,795	1,361,211	14,306	14,240	44,172	16,577	289,966	3,096	3,077	9,241
\$ 20,000 to \$ 25,000	76,509	1,719,982	24,829	24,678	68,479	16,212	364,222	5,266	5,244	14,734
\$ 25,000 to \$ 35,000	138,950	4,151,833	80,101	79,799	219,559	27,784	827,765	15,291	15,251	43,107
\$ 35,000 to \$ 50,000	160,663	6,751,061	160,988	160,080	466,337	30,482	1,280,596	27,670	27,473	81,505
\$ 50,000 to \$ 75,000	176,675	10,875,803	289,750	286,961	948,120	36,092	2,228,687	54,796	54,206	178,266
\$ 75,000 to \$ 100,000	115,745	10,024,994	293,862	290,053	978,645	24,152	2,089,110	58,878	58,065	192,276
\$ 100,000 to \$ 250,000	179,771	25,781,603	874,175	856,337	3,542,033	32,268	4,505,900	148,571	145,595	597,831
\$ 250,000 and over	28,700	18,645,794	750,999	677,993	4,224,783	3,184	1,625,731	62,616	55,472	367,326
Total	1,153,570	\$78,867,838	\$2,494,914	\$2,396,222	\$10,544,943	229,812	\$13,279,003	\$377,492	\$365,689	\$1,494,014

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	3.8	0.1	0.0	0.0	0.0	4.2	0.2	0.0	0.0	0.1
\$ 5,000 to \$ 10,000	5.6	0.6	0.0	0.0	0.1	6.1	0.8	0.0	0.0	0.2
\$ 10,000 to \$ 15,000	6.6	1.2	0.2	0.2	0.3	7.3	1.5	0.3	0.3	0.4
\$ 15,000 to \$ 20,000	6.8	1.7	0.6	0.6	0.4	7.3	2.1	0.8	0.8	0.6
\$ 20,000 to \$ 25,000	6.7	2.1	1.0	1.0	0.6	7.2	2.7	1.4	1.4	1.0
\$ 25,000 to \$ 35,000	12.2	5.1	3.2	3.3	2.1	12.3	6.1	4.1	4.2	2.9
\$ 35,000 to \$ 50,000	14.1	8.3	6.5	6.7	4.4	13.5	9.5	7.3	7.5	5.5
\$ 50,000 to \$ 75,000	15.5	13.5	11.6	12.0	9.0	15.9	16.4	14.5	14.8	11.9
\$ 75,000 to \$ 100,000	10.2	12.4	11.8	12.1	9.3	10.7	15.4	15.6	15.9	12.9
\$ 100,000 to \$ 250,000	15.8	31.9	35.0	35.7	33.6	14.2	33.3	39.4	39.8	40.0
\$ 250,000 and over	2.5	23.1	30.1	28.3	40.1	1.4	12.0	16.6	15.2	24.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$121,353)	\$9	\$21	\$515	(\$84,872)	\$11	\$11	\$367
\$ 0 to \$ 5,000	2,578	5	5	98	2,592	5	5	87
\$ 5,000 to \$ 10,000	7,644	5	5	196	7,631	4	4	164
\$ 10,000 to \$ 15,000	12,559	70	69	368	12,521	71	71	331
\$ 15,000 to \$ 20,000	17,497	184	183	568	17,492	187	186	557
\$ 20,000 to \$ 25,000	22,481	325	323	895	22,466	325	323	909
\$ 25,000 to \$ 35,000	29,880	576	574	1,580	29,793	550	549	1,551
\$ 35,000 to \$ 50,000	42,020	1,002	996	2,903	42,012	908	901	2,674
\$ 50,000 to \$ 75,000	61,558	1,640	1,624	5,366	61,750	1,518	1,502	4,939
\$ 75,000 to \$ 100,000	86,613	2,539	2,506	8,455	86,498	2,438	2,404	7,961
\$ 100,000 to \$ 250,000	143,414	4,863	4,763	19,703	139,640	4,604	4,512	18,527
\$ 250,000 and over	649,679	26,167	23,623	147,205	510,594	19,666	17,422	115,366
Average	\$68,368	\$2,163	\$2,077	\$9,141	\$57,782	\$1,643	\$1,591	\$6,501

Region 3 contains Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, Jefferson, Clear Creek, and Gilpin counties.
Region 4 contains El Paso, Teller, and Park counties.

(Table 17 continued on next page)

**Table 17 (cont'd). Federal AGI and Taxes by Planning Region
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Region 5					Region 6				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	480	(\$39,799)	\$3	\$0	\$262	535	(\$33,481)	\$2	\$1	\$373
\$ 0 to \$ 5,000	552	1,351	3	2	67	1,023	2,689	0	1	119
\$ 5,000 to \$ 10,000	761	5,845	2	2	220	1,471	11,121	6	6	265
\$ 10,000 to \$ 15,000	844	10,531	56	55	323	1,725	21,463	95	93	540
\$ 15,000 to \$ 20,000	844	14,710	147	141	570	1,779	31,140	268	261	925
\$ 20,000 to \$ 25,000	844	18,949	246	241	838	1,649	36,984	445	435	1,348
\$ 25,000 to \$ 35,000	1,352	40,302	678	650	2,192	2,563	75,852	1,226	1,189	3,711
\$ 35,000 to \$ 50,000	1,614	67,905	1,313	1,254	3,996	2,382	99,304	2,041	1,956	6,130
\$ 50,000 to \$ 75,000	2,184	134,710	3,198	3,064	10,050	2,331	142,130	3,466	3,312	11,422
\$ 75,000 to \$ 100,000	1,511	130,674	3,672	3,516	11,954	1,132	97,148	2,824	2,644	9,643
\$ 100,000 to \$ 250,000	2,171	306,450	10,284	9,930	40,532	989	136,040	4,586	4,228	20,104
\$ 250,000 and over	185	187,246	6,493	6,140	32,310	151	89,404	3,633	3,250	18,951
Total	13,341	\$878,874	\$26,095	\$24,998	\$103,316	17,731	\$709,794	\$18,593	\$17,376	\$73,533

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	4.3	0.1	0.0	0.0	0.1	5.9	0.4	0.0	0.0	0.2
\$ 5,000 to \$ 10,000	5.9	0.6	0.0	0.0	0.2	8.6	1.5	0.0	0.0	0.4
\$ 10,000 to \$ 15,000	6.6	1.1	0.2	0.2	0.3	10.0	2.9	0.5	0.5	0.7
\$ 15,000 to \$ 20,000	6.6	1.6	0.6	0.6	0.6	10.3	4.2	1.4	1.5	1.3
\$ 20,000 to \$ 25,000	6.6	2.1	0.9	1.0	0.8	9.6	5.0	2.4	2.5	1.8
\$ 25,000 to \$ 35,000	10.5	4.4	2.6	2.6	2.1	14.9	10.2	6.6	6.8	5.1
\$ 35,000 to \$ 50,000	12.5	7.4	5.0	5.0	3.9	13.9	13.4	11.0	11.3	8.4
\$ 50,000 to \$ 75,000	17.0	14.7	12.3	12.3	9.8	13.6	19.1	18.6	19.1	15.6
\$ 75,000 to \$ 100,000	11.7	14.2	14.1	14.1	11.6	6.6	13.1	15.2	15.2	13.2
\$ 100,000 to \$ 250,000	16.9	33.4	39.4	39.7	39.3	5.8	18.3	24.7	24.3	27.5
\$ 250,000 and over	1.4	20.4	24.9	24.6	31.4	0.9	12.0	19.5	18.7	25.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$82,915)	\$6	\$0	\$547	(\$62,582)	\$5	\$1	\$697
\$ 0 to \$ 5,000	2,448	5	4	122	2,629	0	1	117
\$ 5,000 to \$ 10,000	7,681	3	3	289	7,560	4	4	180
\$ 10,000 to \$ 15,000	12,477	67	66	383	12,442	55	54	313
\$ 15,000 to \$ 20,000	17,428	174	167	675	17,504	150	147	520
\$ 20,000 to \$ 25,000	22,451	291	286	993	22,428	270	264	818
\$ 25,000 to \$ 35,000	29,809	501	481	1,622	29,595	478	464	1,448
\$ 35,000 to \$ 50,000	42,073	813	777	2,476	41,689	857	821	2,573
\$ 50,000 to \$ 75,000	61,681	1,464	1,403	4,602	60,974	1,487	1,421	4,900
\$ 75,000 to \$ 100,000	86,482	2,430	2,327	7,912	85,819	2,495	2,335	8,519
\$ 100,000 to \$ 250,000	141,156	4,737	4,574	18,670	137,553	4,637	4,275	20,328
\$ 250,000 and over	1,012,142	35,098	33,191	174,648	592,082	24,062	21,525	125,504
Average	\$65,878	\$1,956	\$1,874	\$7,744	\$40,031	\$1,049	\$980	\$4,147

Region 5 contains Kit Carson, Lincoln, Elbert, and Cheyenne counties.

Region 6 contains Otero, Prowers, Baca, Bent, Crowley, and Kiowa counties.

(Table 17 continued on next page)

**Table 17 (cont'd). Federal AGI and Taxes by Planning Region
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Region 7					Region 8				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	611	(\$19,419)	\$1	\$1	\$212	426	(\$27,874)	\$2	\$3	\$179
\$ 0 to \$ 5,000	3,093	8,563	13	13	161	1,141	3,120	2	2	98
\$ 5,000 to \$ 10,000	4,819	36,412	12	13	561	1,622	12,275	5	5	329
\$ 10,000 to \$ 15,000	5,553	69,612	325	324	1,448	1,686	21,106	98	97	545
\$ 15,000 to \$ 20,000	5,541	96,829	838	836	2,436	1,651	28,871	249	243	855
\$ 20,000 to \$ 25,000	4,991	111,779	1,392	1,389	3,770	1,527	34,318	421	416	1,284
\$ 25,000 to \$ 35,000	7,682	228,566	3,831	3,815	10,621	2,315	68,577	1,144	1,122	3,156
\$ 35,000 to \$ 50,000	8,456	353,594	7,377	7,347	21,795	2,227	93,457	1,912	1,840	5,594
\$ 50,000 to \$ 75,000	9,160	563,546	13,823	13,713	45,252	2,070	126,720	3,080	2,946	9,903
\$ 75,000 to \$ 100,000	5,213	447,765	12,655	12,524	41,827	988	84,533	2,391	2,265	7,978
\$ 100,000 to \$ 250,000	4,402	588,159	19,390	18,967	79,765	908	124,699	4,193	3,819	18,277
\$ 250,000 and over	442	228,186	8,612	8,010	50,959	129	66,631	2,819	2,391	16,383
Total	59,961	\$2,713,592	\$68,269	\$66,951	\$258,805	16,690	\$636,433	\$16,317	\$15,150	\$64,580

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	5.2	0.3	0.0	0.0	0.1	7.0	0.5	0.0	0.0	0.2
\$ 5,000 to \$ 10,000	8.1	1.3	0.0	0.0	0.2	10.0	1.8	0.0	0.0	0.5
\$ 10,000 to \$ 15,000	9.4	2.5	0.5	0.5	0.6	10.4	3.2	0.6	0.6	0.8
\$ 15,000 to \$ 20,000	9.3	3.5	1.2	1.2	0.9	10.2	4.3	1.5	1.6	1.3
\$ 20,000 to \$ 25,000	8.4	4.1	2.0	2.1	1.5	9.4	5.2	2.6	2.7	2.0
\$ 25,000 to \$ 35,000	12.9	8.4	5.6	5.7	4.1	14.2	10.3	7.0	7.4	4.9
\$ 35,000 to \$ 50,000	14.2	12.9	10.8	11.0	8.4	13.7	14.1	11.7	12.1	8.7
\$ 50,000 to \$ 75,000	15.4	20.6	20.2	20.5	17.5	12.7	19.1	18.9	19.5	15.4
\$ 75,000 to \$ 100,000	8.8	16.4	18.5	18.7	16.2	6.1	12.7	14.7	15.0	12.4
\$ 100,000 to \$ 250,000	7.4	21.5	28.4	28.3	30.8	5.6	18.8	25.7	25.2	28.4
\$ 250,000 and over	0.7	8.3	12.6	12.0	19.7	0.8	10.0	17.3	15.8	25.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$31,783)	\$1	\$1	\$347	(\$65,433)	\$6	\$7	\$419
\$ 0 to \$ 5,000	2,769	4	4	52	2,734	2	2	86
\$ 5,000 to \$ 10,000	7,556	3	3	116	7,568	3	3	203
\$ 10,000 to \$ 15,000	12,536	58	58	261	12,519	58	57	323
\$ 15,000 to \$ 20,000	17,475	151	151	440	17,487	151	147	518
\$ 20,000 to \$ 25,000	22,396	279	278	755	22,474	276	272	841
\$ 25,000 to \$ 35,000	29,753	499	497	1,383	29,623	494	485	1,363
\$ 35,000 to \$ 50,000	41,816	872	869	2,577	41,965	859	826	2,512
\$ 50,000 to \$ 75,000	61,522	1,509	1,497	4,940	61,217	1,488	1,423	4,784
\$ 75,000 to \$ 100,000	85,894	2,428	2,402	8,024	85,560	2,420	2,293	8,075
\$ 100,000 to \$ 250,000	133,612	4,405	4,309	18,120	137,334	4,618	4,206	20,129
\$ 250,000 and over	516,257	19,484	18,122	115,291	516,521	21,851	18,532	127,003
Average	\$45,256	\$1,139	\$1,117	\$4,316	\$38,133	\$978	\$908	\$3,869

Region 7 contains Pueblo county.

Region 8 contains Rio Grande, Conejos, Alamosa, Saguache, Costilla, and Mineral counties.

(Table 17 continued on next page)

**Table 17 (cont'd). Federal AGI and Taxes by Planning Region
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Region 9					Region 10				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	987	(\$56,987)	\$4	\$6	\$374	1,274	(\$73,016)	\$4	\$4	\$474
\$ 0 to \$ 5,000	1,676	4,467	21	20	225	1,959	5,259	9	8	227
\$ 5,000 to \$ 10,000	2,490	18,858	11	10	531	2,737	20,848	15	15	613
\$ 10,000 to \$ 15,000	2,759	34,607	203	200	1,235	3,014	37,640	204	202	1,167
\$ 15,000 to \$ 20,000	2,642	46,203	479	473	1,778	2,886	50,463	503	499	1,890
\$ 20,000 to \$ 25,000	2,548	57,169	848	836	2,891	2,856	64,040	841	833	2,795
\$ 25,000 to \$ 35,000	4,256	127,069	2,324	2,268	7,316	4,457	132,808	2,208	2,178	7,250
\$ 35,000 to \$ 50,000	4,601	193,316	4,111	3,931	13,341	4,935	207,794	4,243	4,177	13,068
\$ 50,000 to \$ 75,000	5,357	329,216	7,643	7,186	27,961	5,611	345,235	8,299	8,121	27,119
\$ 75,000 to \$ 100,000	3,331	287,892	7,578	7,002	28,515	3,020	259,180	7,260	7,106	23,830
\$ 100,000 to \$ 250,000	3,586	502,031	15,804	13,974	69,304	2,721	372,186	11,996	11,320	49,412
\$ 250,000 and over	592	318,259	12,789	9,593	71,861	376	224,374	9,017	7,567	50,432
Total	34,824	\$1,862,101	\$51,814	\$45,499	\$225,331	35,846	\$1,646,811	\$44,599	\$42,031	\$178,278

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	5.0	0.2	0.0	0.0	0.1	5.7	0.3	0.0	0.0	0.1
\$ 5,000 to \$ 10,000	7.4	1.0	0.0	0.0	0.2	7.9	1.2	0.0	0.0	0.3
\$ 10,000 to \$ 15,000	8.2	1.8	0.4	0.4	0.5	8.7	2.2	0.5	0.5	0.7
\$ 15,000 to \$ 20,000	7.8	2.4	0.9	1.0	0.8	8.3	2.9	1.1	1.2	1.1
\$ 20,000 to \$ 25,000	7.5	3.0	1.6	1.8	1.3	8.3	3.7	1.9	2.0	1.6
\$ 25,000 to \$ 35,000	12.6	6.6	4.5	5.0	3.3	12.9	7.7	5.0	5.2	4.1
\$ 35,000 to \$ 50,000	13.6	10.1	7.9	8.6	5.9	14.3	12.1	9.5	9.9	7.3
\$ 50,000 to \$ 75,000	15.8	17.2	14.8	15.8	12.4	16.2	20.1	18.6	19.3	15.3
\$ 75,000 to \$ 100,000	9.8	15.0	14.6	15.4	12.7	8.7	15.1	16.3	16.9	13.4
\$ 100,000 to \$ 250,000	10.6	26.2	30.5	30.7	30.8	7.9	21.6	26.9	26.9	27.8
\$ 250,000 and over	1.7	16.6	24.7	21.1	31.9	1.1	13.0	20.2	18.0	28.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$57,737)	\$4	\$6	\$379	(\$57,313)	\$3	\$3	\$372
\$ 0 to \$ 5,000	2,665	13	12	134	2,684	5	4	116
\$ 5,000 to \$ 10,000	7,573	5	4	213	7,617	6	6	224
\$ 10,000 to \$ 15,000	12,543	73	72	448	12,488	68	67	387
\$ 15,000 to \$ 20,000	17,488	181	179	673	17,486	174	173	655
\$ 20,000 to \$ 25,000	22,437	333	328	1,135	22,423	295	292	979
\$ 25,000 to \$ 35,000	29,857	546	533	1,719	29,798	495	489	1,627
\$ 35,000 to \$ 50,000	42,016	894	854	2,900	42,106	860	846	2,648
\$ 50,000 to \$ 75,000	61,455	1,427	1,341	5,219	61,528	1,479	1,447	4,833
\$ 75,000 to \$ 100,000	86,428	2,275	2,102	8,560	85,821	2,404	2,353	7,891
\$ 100,000 to \$ 250,000	139,998	4,407	3,897	19,326	136,783	4,409	4,160	18,159
\$ 250,000 and over	537,600	21,602	16,204	121,387	596,740	23,980	20,126	134,126
Average	\$53,472	\$1,488	\$1,307	\$6,471	\$45,941	\$1,244	\$1,173	\$4,973

Region 9 contains La Plata, Montezuma, Archuleta, San Juan, and Dolores counties.

Region 10 contains Delta, Montrose, Gunnison, San Miguel, Ouray, and Hinsdale counties.

(Table 17 continued on next page)

**Table 17 (cont'd). Federal AGI and Taxes by Planning Region
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Region 11					Region 12				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	1,711	(\$113,648)	\$5	\$19	\$530	1,950	(\$330,681)	\$71	\$198	\$1,321
\$ 0 to \$ 5,000	3,953	10,413	20	20	363	2,232	5,804	7	7	339
\$ 5,000 to \$ 10,000	5,591	42,534	20	20	838	3,121	23,924	17	17	752
\$ 10,000 to \$ 15,000	6,449	80,917	460	458	2,108	3,609	45,260	317	314	1,650
\$ 15,000 to \$ 20,000	6,459	113,074	1,179	1,172	3,659	4,244	74,559	985	976	3,305
\$ 20,000 to \$ 25,000	6,325	142,290	2,010	1,995	5,891	4,418	99,276	1,673	1,660	5,044
\$ 25,000 to \$ 35,000	10,997	328,289	5,902	5,852	17,011	8,081	241,158	5,200	5,173	15,243
\$ 35,000 to \$ 50,000	12,811	540,361	11,860	11,745	34,648	8,752	366,828	9,225	9,158	27,513
\$ 50,000 to \$ 75,000	15,492	956,089	24,237	23,903	75,492	8,567	526,351	13,934	13,782	44,598
\$ 75,000 to \$ 100,000	9,409	812,376	23,325	22,975	73,430	5,027	434,679	12,212	12,003	39,627
\$ 100,000 to \$ 250,000	9,519	1,295,292	43,219	42,047	169,166	7,073	1,015,950	32,171	31,043	129,369
\$ 250,000 and over	1,351	869,258	34,480	29,163	202,416	1,897	1,487,707	57,177	47,387	324,904
Total	90,067	\$5,077,244	\$146,718	\$139,369	\$585,553	58,972	\$3,990,816	\$132,989	\$121,716	\$593,666

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	4.5	0.2	0.0	0.0	0.1	3.9	0.1	0.0	0.0	0.1
\$ 5,000 to \$ 10,000	6.3	0.8	0.0	0.0	0.1	5.5	0.6	0.0	0.0	0.1
\$ 10,000 to \$ 15,000	7.3	1.6	0.3	0.3	0.4	6.3	1.0	0.2	0.3	0.3
\$ 15,000 to \$ 20,000	7.3	2.2	0.8	0.8	0.6	7.4	1.7	0.7	0.8	0.6
\$ 20,000 to \$ 25,000	7.2	2.7	1.4	1.4	1.0	7.7	2.3	1.3	1.4	0.9
\$ 25,000 to \$ 35,000	12.4	6.3	4.0	4.2	2.9	14.2	5.6	3.9	4.3	2.6
\$ 35,000 to \$ 50,000	14.5	10.4	8.1	8.4	5.9	15.3	8.5	6.9	7.5	4.6
\$ 50,000 to \$ 75,000	17.5	18.4	16.5	17.2	12.9	15.0	12.2	10.5	11.3	7.5
\$ 75,000 to \$ 100,000	10.6	15.7	15.9	16.5	12.6	8.8	10.1	9.2	9.9	6.7
\$ 100,000 to \$ 250,000	10.8	25.0	29.5	30.2	28.9	12.4	23.5	24.2	25.5	21.8
\$ 250,000 and over	1.5	16.7	23.5	20.9	34.6	3.3	34.4	43.0	39.0	54.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$66,422)	\$3	\$11	\$310	(\$169,580)	\$36	\$102	\$677
\$ 0 to \$ 5,000	2,634	5	5	92	2,600	3	3	152
\$ 5,000 to \$ 10,000	7,608	3	3	150	7,665	5	5	241
\$ 10,000 to \$ 15,000	12,547	71	71	327	12,541	88	87	457
\$ 15,000 to \$ 20,000	17,506	183	182	567	17,568	232	230	779
\$ 20,000 to \$ 25,000	22,496	318	315	931	22,471	379	376	1,142
\$ 25,000 to \$ 35,000	29,853	537	532	1,547	29,843	643	640	1,886
\$ 35,000 to \$ 50,000	42,179	926	917	2,705	41,914	1,054	1,046	3,144
\$ 50,000 to \$ 75,000	61,715	1,564	1,543	4,873	61,439	1,626	1,609	5,206
\$ 75,000 to \$ 100,000	86,340	2,479	2,442	7,804	86,469	2,429	2,388	7,883
\$ 100,000 to \$ 250,000	136,074	4,540	4,417	17,771	143,638	4,548	4,389	18,291
\$ 250,000 and over	643,419	25,522	21,586	149,827	784,242	30,141	24,980	171,273
Average	\$56,372	\$1,629	\$1,547	\$6,501	\$67,673	\$2,255	\$2,064	\$10,067

Region 11 contains Mesa, Garfield, Moffat, and Rio Blanco counties.

Region 12 contains Routt, Eagle, Grand, Pitkin, Jackson, and Summit counties.

(Table 17 continued on next page)

**Table 17 (cont'd). Federal AGI and Taxes by Planning Region
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Region 13					Region 14				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	673	(\$41,953)	\$2	\$2	\$205	219	(\$12,721)	\$0	\$0	\$41
\$ 0 to \$ 5,000	1,447	3,836	4	4	136	493	1,388	2	2	29
\$ 5,000 to \$ 10,000	1,983	15,186	6	6	343	759	5,850	3	3	132
\$ 10,000 to \$ 15,000	2,401	30,133	149	148	840	736	9,118	41	41	209
\$ 15,000 to \$ 20,000	2,267	39,681	362	358	1,316	772	13,509	112	111	425
\$ 20,000 to \$ 25,000	1,897	42,492	497	491	1,681	602	13,492	153	151	485
\$ 25,000 to \$ 35,000	3,180	94,779	1,465	1,448	4,744	1,084	32,167	500	496	1,638
\$ 35,000 to \$ 50,000	4,018	168,658	3,273	3,228	10,644	1,116	46,843	945	927	3,069
\$ 50,000 to \$ 75,000	4,297	263,797	6,075	5,953	20,954	1,138	69,430	1,713	1,664	5,529
\$ 75,000 to \$ 100,000	2,277	196,486	5,309	5,186	18,074	605	52,047	1,495	1,447	5,172
\$ 100,000 to \$ 250,000	1,969	263,343	8,394	8,004	34,964	493	64,878	2,139	2,021	8,960
\$ 250,000 and over	180	90,179	3,369	3,091	19,336	32	14,694	605	572	2,728
Total	26,591	\$1,166,617	\$28,903	\$27,918	\$113,237	8,048	\$310,696	\$7,706	\$7,435	\$28,417

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	5.6	0.3	0.0	0.0	0.1	6.3	0.4	0.0	0.0	0.1
\$ 5,000 to \$ 10,000	7.7	1.3	0.0	0.0	0.3	9.7	1.8	0.0	0.0	0.5
\$ 10,000 to \$ 15,000	9.3	2.5	0.5	0.5	0.7	9.4	2.8	0.5	0.6	0.7
\$ 15,000 to \$ 20,000	8.7	3.3	1.3	1.3	1.2	9.9	4.2	1.5	1.5	1.5
\$ 20,000 to \$ 25,000	7.3	3.5	1.7	1.8	1.5	7.7	4.2	2.0	2.0	1.7
\$ 25,000 to \$ 35,000	12.3	7.8	5.1	5.2	4.2	13.8	9.9	6.5	6.7	5.8
\$ 35,000 to \$ 50,000	15.5	14.0	11.3	11.6	9.4	14.3	14.5	12.3	12.5	10.8
\$ 50,000 to \$ 75,000	16.6	21.8	21.0	21.3	18.5	14.5	21.5	22.2	22.4	19.5
\$ 75,000 to \$ 100,000	8.8	16.3	18.4	18.6	16.0	7.7	16.1	19.4	19.5	18.2
\$ 100,000 to \$ 250,000	7.6	21.8	29.0	28.7	30.9	6.3	20.1	27.8	27.2	31.6
\$ 250,000 and over	0.7	7.5	11.7	11.1	17.1	0.4	4.5	7.8	7.7	9.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$62,337)	\$2	\$2	\$304	(\$58,084)	\$1	\$1	\$188
\$ 0 to \$ 5,000	2,651	3	3	94	2,815	4	4	60
\$ 5,000 to \$ 10,000	7,658	3	3	173	7,708	4	4	174
\$ 10,000 to \$ 15,000	12,550	62	62	350	12,389	56	56	283
\$ 15,000 to \$ 20,000	17,504	160	158	581	17,499	145	143	550
\$ 20,000 to \$ 25,000	22,399	262	259	886	22,412	253	251	806
\$ 25,000 to \$ 35,000	29,805	461	455	1,492	29,674	461	458	1,511
\$ 35,000 to \$ 50,000	41,976	814	803	2,649	41,974	846	831	2,750
\$ 50,000 to \$ 75,000	61,391	1,414	1,385	4,876	61,011	1,506	1,462	4,859
\$ 75,000 to \$ 100,000	86,291	2,331	2,277	7,937	86,028	2,470	2,391	8,548
\$ 100,000 to \$ 250,000	133,744	4,263	4,065	17,757	131,598	4,338	4,100	18,174
\$ 250,000 and over	500,996	18,714	17,170	107,422	459,180	18,893	17,880	85,256
Average	\$43,873	\$1,087	\$1,050	\$4,258	\$38,605	\$958	\$924	\$3,531

Region 13 contains Fremont, Chaffee, Lake, and Custer counties.

Region 14 contains Las Animas and Huerfano counties.

(Table 17 continued on next page)

**Table 17 (cont'd). Federal AGI and Taxes by Planning Region
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Region 15					State Total				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	400	(\$19,312)	\$6	\$8	\$188	33,536	(\$3,528,110)	\$345	\$685	\$16,002
\$ 0 to \$ 5,000	969	2,564	1	1	73	82,340	214,393	358	359	7,974
\$ 5,000 to \$ 10,000	1,368	10,448	12	12	191	119,531	912,029	538	546	21,990
\$ 10,000 to \$ 15,000	1,605	20,184	145	142	600	139,504	1,749,814	9,758	9,704	49,404
\$ 15,000 to \$ 20,000	1,600	27,962	344	340	888	143,006	2,502,567	26,290	26,122	81,643
\$ 20,000 to \$ 25,000	1,593	35,736	590	583	1,582	139,626	3,137,644	44,865	44,572	126,341
\$ 25,000 to \$ 35,000	2,678	79,837	1,654	1,639	4,558	245,832	7,335,944	137,912	137,110	386,019
\$ 35,000 to \$ 50,000	2,915	122,663	3,022	2,990	8,744	278,767	11,714,140	269,179	266,901	785,937
\$ 50,000 to \$ 75,000	3,132	192,065	5,219	5,101	16,470	311,321	19,176,470	496,139	489,773	1,608,631
\$ 75,000 to \$ 100,000	1,848	160,313	4,736	4,614	15,384	199,941	17,297,289	499,727	491,686	1,646,722
\$ 100,000 to \$ 250,000	2,515	357,991	12,102	11,654	48,720	278,924	39,534,100	1,328,311	1,296,227	5,370,779
\$ 250,000 and over	394	206,667	8,349	7,341	48,404	40,897	25,887,484	1,035,751	920,630	5,867,548
Total	21,016	\$1,197,118	\$36,180	\$34,424	\$145,801	2,013,224	\$125,933,763	\$3,849,175	\$3,684,313	\$15,968,990

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	4.6	0.2	0.0	0.0	0.1	4.2	0.2	0.0	0.0	0.0
\$ 5,000 to \$ 10,000	6.5	0.9	0.0	0.0	0.1	6.0	0.7	0.0	0.0	0.1
\$ 10,000 to \$ 15,000	7.6	1.7	0.4	0.4	0.4	7.0	1.4	0.3	0.3	0.3
\$ 15,000 to \$ 20,000	7.6	2.3	1.0	1.0	0.6	7.2	1.9	0.7	0.7	0.5
\$ 20,000 to \$ 25,000	7.6	3.0	1.6	1.7	1.1	7.1	2.4	1.2	1.2	0.8
\$ 25,000 to \$ 35,000	12.7	6.7	4.6	4.8	3.1	12.4	5.7	3.6	3.7	2.4
\$ 35,000 to \$ 50,000	13.9	10.2	8.4	8.7	6.0	14.1	9.0	7.0	7.2	4.9
\$ 50,000 to \$ 75,000	14.9	16.0	14.4	14.8	11.3	15.7	14.8	12.9	13.3	10.1
\$ 75,000 to \$ 100,000	8.8	13.4	13.1	13.4	10.6	10.1	13.4	13.0	13.3	10.3
\$ 100,000 to \$ 250,000	12.0	29.9	33.4	33.9	33.4	14.1	30.5	34.5	35.2	33.7
\$ 250,000 and over	1.9	17.3	23.1	21.3	33.2	2.1	20.0	26.9	25.0	36.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$48,279)	\$16	\$21	\$469	(\$105,204)	\$10	\$20	\$477
\$ 0 to \$ 5,000	2,647	1	1	76	2,604	4	4	97
\$ 5,000 to \$ 10,000	7,637	9	9	139	7,630	5	5	184
\$ 10,000 to \$ 15,000	12,576	90	88	374	12,543	70	70	354
\$ 15,000 to \$ 20,000	17,476	215	212	555	17,500	184	183	571
\$ 20,000 to \$ 25,000	22,433	370	366	993	22,472	321	319	905
\$ 25,000 to \$ 35,000	29,812	618	612	1,702	29,841	561	558	1,570
\$ 35,000 to \$ 50,000	42,080	1,037	1,026	3,000	42,021	966	957	2,819
\$ 50,000 to \$ 75,000	61,323	1,666	1,629	5,259	61,597	1,594	1,573	5,167
\$ 75,000 to \$ 100,000	86,749	2,563	2,497	8,325	86,512	2,499	2,459	8,236
\$ 100,000 to \$ 250,000	142,342	4,812	4,634	19,372	141,738	4,762	4,647	19,255
\$ 250,000 and over	524,536	21,190	18,633	122,852	632,992	25,326	22,511	143,471
Average	\$56,962	\$1,722	\$1,638	\$6,938	\$62,553	\$1,912	\$1,830	\$7,932

Region 15 contains those returns which could not be allocated to a region based on zip code.

**Table 18. Federal AGI and Taxes by County
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

County	Number of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Average Federal AGI	Average Colorado Gross Tax	Average Colorado Net Tax	Average Federal Tax
Adams	171,089	\$8,389,000	\$226,691	\$223,605	\$777,831	\$49,033	\$1,325	\$1,307	\$4,546
Alamosa	5,621	232,662	6,085	5,753	22,969	41,392	1,083	1,023	4,086
Arapahoe	227,075	15,397,946	489,560	468,382	2,094,410	67,810	2,156	2,063	9,223
Archuleta	4,664	202,441	4,879	4,142	21,699	43,405	1,046	888	4,652
Baca	1,457	49,560	1,302	1,094	5,705	34,015	894	751	3,916
Bent	1,495	48,248	1,156	1,103	4,775	32,273	773	738	3,194
Boulder	115,856	8,729,900	286,804	270,615	1,272,063	75,351	2,476	2,336	10,980
Broomfield	49,254	3,474,092	108,771	106,350	427,661	70,534	2,208	2,159	8,683
Chaffee	7,168	324,690	8,071	7,582	32,859	45,297	1,126	1,058	4,584
Cheyenne	746	30,634	1,089	970	4,399	41,065	1,460	1,300	5,897
Clear Creek	2,587	127,740	3,679	3,620	13,237	49,378	1,422	1,399	5,117
Conejos	2,718	86,969	1,839	1,689	6,185	31,997	677	622	2,275
Costilla	1,083	34,000	710	629	2,589	31,395	655	581	2,390
Crowley	1,019	33,859	751	727	2,562	33,227	737	713	2,514
Custer	1,599	78,237	1,895	1,756	8,962	48,929	1,185	1,098	5,605
Delta	12,009	522,024	13,428	12,747	52,043	43,469	1,118	1,061	4,334
Denver	238,450	15,507,290	504,290	478,087	2,203,075	65,034	2,115	2,005	9,239
Dolores	719	27,789	718	626	2,526	38,650	999	871	3,513
Douglas	107,728	10,604,372	357,375	345,779	1,560,270	98,437	3,317	3,210	14,483
Eagle	21,621	1,406,289	45,028	41,684	196,535	65,043	2,083	1,928	9,090
El Paso	216,779	12,523,411	356,474	345,298	1,410,594	57,770	1,644	1,593	6,507
Elbert	7,876	652,903	19,401	19,028	76,682	82,898	2,463	2,416	9,736
Fremont	15,104	648,569	15,947	15,652	60,905	42,940	1,056	1,036	4,032
Garfield	23,371	1,496,845	45,144	42,285	189,161	64,047	1,932	1,809	8,094
Gilpin	1,946	106,458	3,304	3,167	12,593	54,706	1,698	1,628	6,471
Grand	5,998	305,725	8,861	8,344	35,619	50,971	1,477	1,391	5,938
Gunnison	6,046	292,206	8,388	7,988	33,372	48,330	1,387	1,321	5,520
Hinsdale	328	15,095	354	320	1,494	46,021	1,079	975	4,555
Huerfano	2,414	85,948	1,917	1,842	7,759	35,604	794	763	3,214
Jackson	595	20,764	574	557	2,036	34,898	964	936	3,421
Jefferson	239,586	16,531,041	514,440	496,613	2,183,802	68,998	2,147	2,073	9,115
Kiowa	2,134	117,332	3,711	3,351	16,245	54,982	1,739	1,570	7,612
Kit Carson	3,005	124,889	3,648	3,200	15,078	41,560	1,214	1,065	5,018
La Plata	19,798	1,212,365	35,251	31,077	157,867	61,237	1,781	1,570	7,974
Lake	2,721	115,121	2,991	2,928	10,511	42,308	1,099	1,076	3,863
Larimer	118,479	6,869,591	205,947	194,992	827,803	57,982	1,738	1,646	6,987
Las Animas	5,634	224,748	5,790	5,593	20,658	39,891	1,028	993	3,667
Lincoln	1,715	70,447	1,957	1,801	7,156	41,077	1,141	1,050	4,173
Logan	7,434	351,246	9,853	8,916	40,095	47,249	1,325	1,199	5,393
Mesa	58,904	3,142,639	88,432	84,301	349,692	53,352	1,501	1,431	5,937
Mineral	310	15,856	396	357	1,751	51,149	1,278	1,153	5,649
Moffat	5,335	284,555	8,322	8,136	28,450	53,337	1,560	1,525	5,333
Montezuma	9,356	408,009	10,604	9,401	41,376	43,609	1,133	1,005	4,422
Montrose	12,501	530,857	13,295	12,846	51,139	42,465	1,064	1,028	4,091
Morgan	10,669	413,617	11,396	10,967	40,340	38,768	1,068	1,028	3,781
Otero	7,130	259,984	6,276	6,071	23,399	36,463	880	851	3,282
Ouray	1,692	93,592	2,701	2,438	11,889	55,314	1,596	1,441	7,027
Park	5,566	295,153	8,024	7,871	30,631	53,028	1,442	1,414	5,503
Phillips	1,779	85,647	2,532	2,235	11,132	48,144	1,423	1,256	6,257
Pitkin	7,446	863,774	34,529	30,302	171,088	116,005	4,637	4,070	22,977
Prowers	4,497	200,812	5,398	5,031	20,847	44,655	1,200	1,119	4,636
Pueblo	59,961	2,713,592	68,269	66,951	258,805	45,256	1,139	1,117	4,316
Rio Blanco	2,457	153,205	4,820	4,647	18,250	62,355	1,962	1,892	7,428
Rio Grande	4,599	190,882	5,095	4,718	21,073	41,505	1,108	1,026	4,582
Routt	10,150	663,934	21,657	19,771	96,783	65,412	2,134	1,948	9,535
Saguache	2,360	76,063	2,192	2,004	10,013	32,230	929	849	4,243
San Juan	287	11,496	361	253	1,864	40,055	1,259	881	6,493
San Miguel	3,269	193,038	6,433	5,692	28,341	59,051	1,968	1,741	8,670
Sedgwick	925	36,125	939	737	3,953	39,054	1,015	796	4,274
Summit	13,162	730,329	22,340	21,058	91,605	55,488	1,697	1,600	6,960
Teller	7,467	460,439	12,994	12,520	52,789	61,663	1,740	1,677	7,070
Washington	1,673	65,923	1,802	1,637	7,113	39,404	1,077	979	4,252
Weld	102,061	5,603,804	161,166	155,761	609,709	54,906	1,579	1,526	5,974
Yuma	3,734	170,874	4,951	4,290	19,371	45,762	1,326	1,149	5,188
Unknown	21,016	1,197,118	36,180	34,424	145,801	56,962	1,722	1,638	6,938
Total	2,013,227	\$125,933,763	\$3,849,175	\$3,684,310	\$15,968,990	\$62,553	\$1,912	\$1,830	\$7,932

**Table 19. Federal AGI and Taxes by Major County
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Denver					Jefferson				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	3,487	(\$412,691)	\$30	\$104	\$1,996	3,471	(\$344,506)	\$19	\$40	\$1,580
\$ 0 to \$ 5,000	10,886	28,497	35	34	996	8,845	22,476	39	42	899
\$ 5,000 to \$ 10,000	16,109	123,390	63	64	3,338	12,530	95,701	62	61	2,288
\$ 10,000 to \$ 15,000	18,792	236,057	1,313	1,304	7,008	14,499	181,832	1,044	1,040	5,252
\$ 15,000 to \$ 20,000	19,735	345,477	3,616	3,600	10,746	14,571	254,866	2,826	2,814	8,773
\$ 20,000 to \$ 25,000	19,214	431,773	6,328	6,262	16,779	14,277	321,158	4,811	4,790	13,930
\$ 25,000 to \$ 35,000	33,729	1,007,441	20,387	20,295	54,502	26,387	789,458	15,364	15,309	44,897
\$ 35,000 to \$ 50,000	36,057	1,511,340	39,219	38,996	114,508	32,028	1,348,010	31,415	31,200	95,901
\$ 50,000 to \$ 75,000	32,807	2,000,135	58,024	57,398	201,390	39,097	2,414,413	62,364	61,747	211,708
\$ 75,000 to \$ 100,000	17,032	1,468,854	45,837	45,083	169,188	26,851	2,325,952	66,840	65,969	226,641
\$ 100,000 to \$ 250,000	24,737	3,609,113	125,641	122,026	541,406	41,116	5,862,345	197,891	194,102	806,040
\$ 250,000 and over	5,864	5,157,904	203,796	182,921	1,081,217	5,915	3,259,336	131,765	119,500	765,892
Total	238,450	\$15,507,290	\$504,290	\$478,087	\$2,203,075	239,586	\$16,531,041	\$514,440	\$496,613	\$2,183,802

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	4.6	0.2	0.0	0.0	0.0	3.7	0.1	0.0	0.0	0.0
\$ 5,000 to \$ 10,000	6.9	0.8	0.0	0.0	0.2	5.3	0.6	0.0	0.0	0.1
\$ 10,000 to \$ 15,000	8.0	1.5	0.3	0.3	0.3	6.1	1.1	0.2	0.2	0.2
\$ 15,000 to \$ 20,000	8.4	2.2	0.7	0.8	0.5	6.2	1.5	0.5	0.6	0.4
\$ 20,000 to \$ 25,000	8.2	2.7	1.3	1.3	0.8	6.0	1.9	0.9	1.0	0.6
\$ 25,000 to \$ 35,000	14.4	6.3	4.0	4.2	2.5	11.2	4.7	3.0	3.1	2.1
\$ 35,000 to \$ 50,000	15.3	9.5	7.8	8.2	5.2	13.6	8.0	6.1	6.3	4.4
\$ 50,000 to \$ 75,000	14.0	12.6	11.5	12.0	9.1	16.6	14.3	12.1	12.4	9.7
\$ 75,000 to \$ 100,000	7.2	9.2	9.1	9.4	7.7	11.4	13.8	13.0	13.3	10.4
\$ 100,000 to \$ 250,000	10.5	22.7	24.9	25.5	24.6	17.4	34.7	38.5	39.1	36.9
\$ 250,000 and over	2.5	32.4	40.4	38.3	49.1	2.5	19.3	25.6	24.1	35.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$118,351)	\$9	\$30	\$572	(\$99,253)	\$6	\$11	\$455
\$ 0 to \$ 5,000	2,618	3	3	91	2,541	4	5	102
\$ 5,000 to \$ 10,000	7,660	4	4	207	7,638	5	5	183
\$ 10,000 to \$ 15,000	12,562	70	69	373	12,541	72	72	362
\$ 15,000 to \$ 20,000	17,506	183	182	545	17,491	194	193	602
\$ 20,000 to \$ 25,000	22,472	329	326	873	22,495	337	336	976
\$ 25,000 to \$ 35,000	29,869	604	602	1,616	29,918	582	580	1,701
\$ 35,000 to \$ 50,000	41,915	1,088	1,082	3,176	42,088	981	974	2,994
\$ 50,000 to \$ 75,000	60,967	1,769	1,750	6,139	61,754	1,595	1,579	5,415
\$ 75,000 to \$ 100,000	86,241	2,691	2,647	9,934	86,624	2,489	2,457	8,441
\$ 100,000 to \$ 250,000	145,899	5,079	4,933	21,886	142,581	4,813	4,721	19,604
\$ 250,000 and over	879,588	34,754	31,194	184,382	551,029	22,276	20,203	129,483
Average	\$65,034	\$2,115	\$2,005	\$9,239	\$68,998	\$2,147	\$2,073	\$9,115

(Table 19 continued on next page)

**Table 19 (cont'd). Federal AGI and Taxes by Major County
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Arapahoe					El Paso				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	2,798	(\$450,339)	\$7	\$32	\$1,427	2,879	(\$254,762)	\$30	\$28	\$1,056
\$ 0 to \$ 5,000	8,508	22,235	40	40	829	8,907	23,196	45	45	742
\$ 5,000 to \$ 10,000	12,559	95,932	56	56	2,285	13,196	100,760	54	53	2,115
\$ 10,000 to \$ 15,000	15,248	191,616	999	994	5,453	15,640	195,861	1,120	1,117	5,091
\$ 15,000 to \$ 20,000	16,074	281,381	2,737	2,724	8,577	15,784	276,091	2,967	2,949	8,682
\$ 20,000 to \$ 25,000	15,784	354,970	4,850	4,832	13,035	15,464	347,400	5,057	5,037	13,970
\$ 25,000 to \$ 35,000	29,111	869,362	16,135	16,086	42,445	26,424	787,195	14,630	14,593	40,822
\$ 35,000 to \$ 50,000	33,268	1,396,424	32,481	32,387	91,347	28,736	1,206,822	26,225	26,043	76,936
\$ 50,000 to \$ 75,000	34,962	2,151,046	56,560	56,088	181,022	33,751	2,083,609	51,368	50,821	166,846
\$ 75,000 to \$ 100,000	21,980	1,902,491	55,276	54,661	182,527	22,556	1,951,084	55,033	54,292	179,385
\$ 100,000 to \$ 250,000	31,239	4,446,228	149,345	146,454	605,687	30,382	4,245,386	139,976	137,204	563,137
\$ 250,000 and over	5,543	4,136,600	171,074	154,029	959,776	3,060	1,560,770	59,970	53,115	351,813
Total	227,075	\$15,397,946	\$489,560	\$468,382	\$2,094,410	216,779	\$12,523,411	\$356,474	\$345,298	\$1,410,594

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	3.8	0.1	0.0	0.0	0.0	4.2	0.2	0.0	0.0	0.1
\$ 5,000 to \$ 10,000	5.6	0.6	0.0	0.0	0.1	6.2	0.8	0.0	0.0	0.2
\$ 10,000 to \$ 15,000	6.8	1.2	0.2	0.2	0.3	7.3	1.5	0.3	0.3	0.4
\$ 15,000 to \$ 20,000	7.2	1.8	0.6	0.6	0.4	7.4	2.2	0.8	0.9	0.6
\$ 20,000 to \$ 25,000	7.0	2.2	1.0	1.0	0.6	7.2	2.7	1.4	1.5	1.0
\$ 25,000 to \$ 35,000	13.0	5.5	3.3	3.4	2.0	12.4	6.2	4.1	4.2	2.9
\$ 35,000 to \$ 50,000	14.8	8.8	6.6	6.9	4.4	13.4	9.4	7.4	7.5	5.5
\$ 50,000 to \$ 75,000	15.6	13.6	11.6	12.0	8.6	15.8	16.3	14.4	14.7	11.8
\$ 75,000 to \$ 100,000	9.8	12.0	11.3	11.7	8.7	10.5	15.3	15.4	15.7	12.7
\$ 100,000 to \$ 250,000	13.9	28.1	30.5	31.3	28.9	14.2	33.2	39.3	39.7	40.0
\$ 250,000 and over	2.5	26.1	34.9	32.9	45.9	1.4	12.2	16.8	15.4	25.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$160,950)	\$3	\$11	\$510	(\$88,490)	\$10	\$10	\$367
\$ 0 to \$ 5,000	2,613	5	5	97	2,604	5	5	83
\$ 5,000 to \$ 10,000	7,639	4	4	182	7,636	4	4	160
\$ 10,000 to \$ 15,000	12,567	66	65	358	12,523	72	71	325
\$ 15,000 to \$ 20,000	17,505	170	169	534	17,492	188	187	550
\$ 20,000 to \$ 25,000	22,489	307	306	826	22,465	327	326	903
\$ 25,000 to \$ 35,000	29,864	554	553	1,458	29,791	554	552	1,545
\$ 35,000 to \$ 50,000	41,975	976	974	2,746	41,997	913	906	2,677
\$ 50,000 to \$ 75,000	61,525	1,618	1,604	5,178	61,735	1,522	1,506	4,943
\$ 75,000 to \$ 100,000	86,556	2,515	2,487	8,304	86,500	2,440	2,407	7,953
\$ 100,000 to \$ 250,000	142,329	4,781	4,688	19,389	139,734	4,607	4,516	18,535
\$ 250,000 and over	746,275	30,863	27,788	173,151	510,056	19,598	17,358	114,972
Average	\$67,810	\$2,156	\$2,063	\$9,223	\$57,770	\$1,644	\$1,593	\$6,507

(Table 19 continued on next page)

**Table 19 (cont'd). Federal AGI and Taxes by Major County
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Boulder					Adams				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	2,691	(\$268,474)	\$23	\$66	\$1,565	1,423	(\$71,888)	\$11	\$13	\$425
\$ 0 to \$ 5,000	5,076	12,710	32	33	667	6,150	16,175	12	12	429
\$ 5,000 to \$ 10,000	6,420	48,685	46	50	1,515	10,127	77,955	46	51	1,942
\$ 10,000 to \$ 15,000	7,212	90,330	595	590	3,014	12,681	159,551	750	744	4,341
\$ 15,000 to \$ 20,000	7,457	130,287	1,601	1,585	5,154	13,130	229,600	2,085	2,080	6,441
\$ 20,000 to \$ 25,000	7,063	158,618	2,525	2,501	7,678	13,253	297,905	3,890	3,879	10,124
\$ 25,000 to \$ 35,000	11,970	357,474	7,233	7,190	22,061	24,788	739,963	13,446	13,412	33,338
\$ 35,000 to \$ 50,000	13,743	578,047	13,716	13,557	43,045	27,719	1,162,713	26,783	26,686	69,948
\$ 50,000 to \$ 75,000	16,136	995,934	26,307	25,904	91,039	28,077	1,722,323	45,606	45,340	134,317
\$ 75,000 to \$ 100,000	11,564	1,004,201	29,067	28,494	101,427	16,210	1,399,207	41,514	41,164	125,480
\$ 100,000 to \$ 250,000	22,382	3,306,814	112,730	109,750	463,236	16,611	2,218,588	74,965	73,973	285,170
\$ 250,000 and over	4,143	2,315,272	92,928	80,895	531,662	919	436,907	17,584	16,251	105,876
Total	115,856	\$8,729,900	\$286,804	\$270,615	\$1,272,063	171,089	\$8,389,000	\$226,691	\$223,605	\$777,831

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	4.5	0.1	0.0	0.0	0.1	3.6	0.2	0.0	0.0	0.1
\$ 5,000 to \$ 10,000	5.7	0.5	0.0	0.0	0.1	6.0	0.9	0.0	0.0	0.2
\$ 10,000 to \$ 15,000	6.4	1.0	0.2	0.2	0.2	7.5	1.9	0.3	0.3	0.6
\$ 15,000 to \$ 20,000	6.6	1.4	0.6	0.6	0.4	7.7	2.7	0.9	0.9	0.8
\$ 20,000 to \$ 25,000	6.2	1.8	0.9	0.9	0.6	7.8	3.5	1.7	1.7	1.3
\$ 25,000 to \$ 35,000	10.6	4.0	2.5	2.7	1.7	14.6	8.7	5.9	6.0	4.3
\$ 35,000 to \$ 50,000	12.1	6.4	4.8	5.0	3.4	16.3	13.7	11.8	11.9	9.0
\$ 50,000 to \$ 75,000	14.3	11.1	9.2	9.6	7.2	16.5	20.4	20.1	20.3	17.3
\$ 75,000 to \$ 100,000	10.2	11.2	10.1	10.5	8.0	9.6	16.5	18.3	18.4	16.1
\$ 100,000 to \$ 250,000	19.8	36.7	39.3	40.6	36.5	9.8	26.2	33.1	33.1	36.7
\$ 250,000 and over	3.7	25.7	32.4	29.9	41.8	0.5	5.2	7.8	7.3	13.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$99,767)	\$8	\$25	\$581	(\$50,519)	\$8	\$9	\$298
\$ 0 to \$ 5,000	2,504	6	6	131	2,630	2	2	70
\$ 5,000 to \$ 10,000	7,583	7	8	236	7,698	5	5	192
\$ 10,000 to \$ 15,000	12,525	83	82	418	12,582	59	59	342
\$ 15,000 to \$ 20,000	17,472	215	213	691	17,487	159	158	491
\$ 20,000 to \$ 25,000	22,458	358	354	1,087	22,478	294	293	764
\$ 25,000 to \$ 35,000	29,864	604	601	1,843	29,852	542	541	1,345
\$ 35,000 to \$ 50,000	42,061	998	986	3,132	41,946	966	963	2,523
\$ 50,000 to \$ 75,000	61,721	1,630	1,605	5,642	61,343	1,624	1,615	4,784
\$ 75,000 to \$ 100,000	86,839	2,514	2,464	8,771	86,318	2,561	2,539	7,741
\$ 100,000 to \$ 250,000	147,744	5,037	4,903	20,697	133,561	4,513	4,453	17,168
\$ 250,000 and over	558,840	22,430	19,526	128,328	475,416	19,134	17,683	115,208
Average	\$75,351	\$2,476	\$2,336	\$10,980	\$49,033	\$1,325	\$1,307	\$4,546

(Table 19 continued on next page)

**Table 19 (cont'd). Federal AGI and Taxes by Major County
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Larimer					Pueblo				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	2,244	(\$233,754)	\$36	\$37	\$891	611	(\$19,419)	\$1	\$1	\$212
\$ 0 to \$ 5,000	5,437	13,907	18	21	502	3,093	8,563	13	13	161
\$ 5,000 to \$ 10,000	7,565	57,444	35	36	1,203	4,819	36,412	12	13	561
\$ 10,000 to \$ 15,000	8,504	106,507	712	708	2,751	5,553	69,612	325	324	1,448
\$ 15,000 to \$ 20,000	8,560	149,644	1,839	1,826	5,165	5,541	96,829	838	836	2,436
\$ 20,000 to \$ 25,000	8,153	182,877	2,914	2,900	8,063	4,991	111,779	1,392	1,389	3,770
\$ 25,000 to \$ 35,000	13,566	404,852	7,860	7,802	23,019	7,682	228,566	3,831	3,815	10,621
\$ 35,000 to \$ 50,000	15,347	646,300	14,472	14,328	43,730	8,456	353,594	7,377	7,347	21,795
\$ 50,000 to \$ 75,000	18,442	1,140,411	28,519	28,071	92,340	9,160	563,546	13,823	13,713	45,252
\$ 75,000 to \$ 100,000	12,414	1,074,641	30,332	29,765	98,221	5,213	447,765	12,655	12,524	41,827
\$ 100,000 to \$ 250,000	16,342	2,279,382	76,354	74,237	305,052	4,402	588,159	19,390	18,967	79,765
\$ 250,000 and over	1,906	1,047,380	42,854	35,262	246,867	442	228,186	8,612	8,010	50,959
Total	118,479	\$6,869,591	\$205,947	\$194,992	\$827,803	59,961	\$2,713,592	\$68,269	\$66,951	\$258,805

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	4.7	0.2	0.0	0.0	0.1	5.2	0.3	0.0	0.0	0.1
\$ 5,000 to \$ 10,000	6.5	0.8	0.0	0.0	0.1	8.1	1.3	0.0	0.0	0.2
\$ 10,000 to \$ 15,000	7.3	1.5	0.3	0.4	0.3	9.4	2.5	0.5	0.5	0.6
\$ 15,000 to \$ 20,000	7.4	2.1	0.9	0.9	0.6	9.3	3.5	1.2	1.2	0.9
\$ 20,000 to \$ 25,000	7.0	2.6	1.4	1.5	1.0	8.4	4.1	2.0	2.1	1.5
\$ 25,000 to \$ 35,000	11.7	5.7	3.8	4.0	2.8	12.9	8.4	5.6	5.7	4.1
\$ 35,000 to \$ 50,000	13.2	9.1	7.0	7.3	5.3	14.2	12.9	10.8	11.0	8.4
\$ 50,000 to \$ 75,000	15.9	16.1	13.9	14.4	11.2	15.4	20.6	20.2	20.5	17.5
\$ 75,000 to \$ 100,000	10.7	15.1	14.7	15.3	11.9	8.8	16.4	18.5	18.7	16.2
\$ 100,000 to \$ 250,000	14.1	32.1	37.1	38.1	36.9	7.4	21.5	28.4	28.3	30.8
\$ 250,000 and over	1.6	14.7	20.8	18.1	29.9	0.7	8.3	12.6	12.0	19.7
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$104,168)	\$16	\$17	\$397	(\$31,783)	\$1	\$1	\$347
\$ 0 to \$ 5,000	2,558	3	4	92	2,769	4	4	52
\$ 5,000 to \$ 10,000	7,593	5	5	159	7,556	3	3	116
\$ 10,000 to \$ 15,000	12,524	84	83	323	12,536	58	58	261
\$ 15,000 to \$ 20,000	17,482	215	213	603	17,475	151	151	440
\$ 20,000 to \$ 25,000	22,431	357	356	989	22,396	279	278	755
\$ 25,000 to \$ 35,000	29,843	579	575	1,697	29,753	499	497	1,383
\$ 35,000 to \$ 50,000	42,112	943	934	2,849	41,816	872	869	2,577
\$ 50,000 to \$ 75,000	61,838	1,546	1,522	5,007	61,522	1,509	1,497	4,940
\$ 75,000 to \$ 100,000	86,567	2,443	2,398	7,912	85,894	2,428	2,402	8,024
\$ 100,000 to \$ 250,000	139,480	4,672	4,543	18,667	133,612	4,405	4,309	18,120
\$ 250,000 and over	549,517	22,484	18,501	129,521	516,257	19,484	18,122	115,291
Average	\$57,982	\$1,738	\$1,646	\$6,987	\$45,256	\$1,139	\$1,117	\$4,316

(Table 19 continued on next page)

**Table 19 (cont'd). Federal AGI and Taxes by Major County
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Weld					Mesa				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	1,701	(\$181,008)	\$23	\$32	\$970	998	(\$54,679)	\$2	\$0	\$277
\$ 0 to \$ 5,000	3,971	10,558	7	7	363	2,870	7,588	15	15	207
\$ 5,000 to \$ 10,000	5,976	45,506	19	19	991	3,972	30,201	15	15	503
\$ 10,000 to \$ 15,000	6,937	86,921	433	432	2,190	4,569	57,322	322	320	1,346
\$ 15,000 to \$ 20,000	7,266	127,545	1,240	1,235	3,834	4,566	79,927	832	829	2,411
\$ 20,000 to \$ 25,000	7,391	166,534	2,169	2,164	5,763	4,369	98,185	1,428	1,419	3,936
\$ 25,000 to \$ 35,000	13,047	387,980	6,629	6,599	17,471	7,218	215,297	3,863	3,834	11,117
\$ 35,000 to \$ 50,000	14,472	609,176	13,239	13,153	35,853	8,086	341,484	7,244	7,176	21,570
\$ 50,000 to \$ 75,000	16,646	1,028,403	26,016	25,768	75,736	9,967	614,356	15,231	15,015	48,282
\$ 75,000 to \$ 100,000	11,051	954,545	27,571	27,276	83,679	5,851	504,672	14,256	14,020	45,377
\$ 100,000 to \$ 250,000	12,450	1,703,339	56,886	55,672	223,012	5,635	768,531	25,633	24,937	101,394
\$ 250,000 and over	1,153	664,304	26,935	23,405	159,847	804	479,757	19,590	16,720	113,272
Total	102,061	\$5,603,804	\$161,166	\$155,761	\$609,709	58,904	\$3,142,639	\$88,432	\$84,301	\$349,692

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	4.0	0.2	0.0	0.0	0.1	5.0	0.2	0.0	0.0	0.1
\$ 5,000 to \$ 10,000	6.0	0.8	0.0	0.0	0.2	6.9	0.9	0.0	0.0	0.1
\$ 10,000 to \$ 15,000	6.9	1.5	0.3	0.3	0.4	7.9	1.8	0.4	0.4	0.4
\$ 15,000 to \$ 20,000	7.2	2.2	0.8	0.8	0.6	7.9	2.5	0.9	1.0	0.7
\$ 20,000 to \$ 25,000	7.4	2.9	1.3	1.4	0.9	7.5	3.1	1.6	1.7	1.1
\$ 25,000 to \$ 35,000	13.0	6.7	4.1	4.2	2.9	12.5	6.7	4.4	4.5	3.2
\$ 35,000 to \$ 50,000	14.4	10.5	8.2	8.4	5.9	14.0	10.7	8.2	8.5	6.2
\$ 50,000 to \$ 75,000	16.6	17.8	16.1	16.5	12.4	17.2	19.2	17.2	17.8	13.8
\$ 75,000 to \$ 100,000	11.0	16.5	17.1	17.5	13.7	10.1	15.8	16.1	16.6	13.0
\$ 100,000 to \$ 250,000	12.4	29.4	35.3	35.7	36.6	9.7	24.0	29.0	29.6	29.0
\$ 250,000 and over	1.1	11.5	16.7	15.0	26.3	1.4	15.0	22.2	19.8	32.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$106,413)	\$13	\$19	\$570	(\$54,788)	\$2	\$0	\$277
\$ 0 to \$ 5,000	2,659	2	2	91	2,644	5	5	72
\$ 5,000 to \$ 10,000	7,615	3	3	166	7,604	4	4	127
\$ 10,000 to \$ 15,000	12,530	62	62	316	12,546	70	70	295
\$ 15,000 to \$ 20,000	17,554	171	170	528	17,505	182	182	528
\$ 20,000 to \$ 25,000	22,532	293	293	780	22,473	327	325	901
\$ 25,000 to \$ 35,000	29,737	508	506	1,339	29,828	535	531	1,540
\$ 35,000 to \$ 50,000	42,093	915	909	2,477	42,232	896	887	2,668
\$ 50,000 to \$ 75,000	61,781	1,563	1,548	4,550	61,639	1,528	1,506	4,844
\$ 75,000 to \$ 100,000	86,376	2,495	2,468	7,572	86,254	2,437	2,396	7,755
\$ 100,000 to \$ 250,000	136,814	4,569	4,472	17,913	136,385	4,549	4,425	17,994
\$ 250,000 and over	576,153	23,361	20,299	138,636	596,713	24,366	20,796	140,886
Average	\$54,906	\$1,579	\$1,526	\$5,974	\$53,352	\$1,501	\$1,431	\$5,937

(Table 19 continued on next page)

**Table 19 (cont'd). Federal AGI and Taxes by Major County
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Douglas					Remainder of State				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	1,840	(\$391,031)	\$57	\$80	\$1,238	9,393	(\$845,559)	\$107	\$252	\$4,365
\$ 0 to \$ 5,000	2,542	6,300	40	38	328	16,055	42,187	61	58	1,850
\$ 5,000 to \$ 10,000	3,320	25,056	19	19	686	22,939	174,986	110	109	4,564
\$ 10,000 to \$ 15,000	3,786	47,573	301	307	1,581	26,084	326,632	1,844	1,823	9,929
\$ 15,000 to \$ 20,000	3,830	67,090	772	770	2,642	26,493	463,829	4,937	4,873	16,783
\$ 20,000 to \$ 25,000	3,897	87,567	1,298	1,291	3,887	25,770	578,878	8,203	8,106	25,406
\$ 25,000 to \$ 35,000	7,216	216,046	3,980	3,965	12,389	44,693	1,332,311	24,553	24,210	73,338
\$ 35,000 to \$ 50,000	10,595	449,099	9,980	9,902	30,162	50,262	2,111,128	47,028	46,125	141,143
\$ 50,000 to \$ 75,000	16,516	1,030,035	25,714	25,442	80,423	55,759	3,432,259	86,607	84,467	280,276
\$ 75,000 to \$ 100,000	15,323	1,336,267	37,718	37,273	117,347	33,898	2,927,609	83,630	81,166	275,623
\$ 100,000 to \$ 250,000	33,552	4,914,121	164,951	162,207	649,607	40,075	5,592,096	184,549	176,696	747,272
\$ 250,000 and over	5,311	2,816,248	112,545	104,482	659,981	5,836	3,784,820	148,098	126,040	840,385
Total	107,728	\$10,604,372	\$357,375	\$345,779	\$1,560,270	357,255	\$19,921,177	\$589,727	\$553,925	\$2,420,935

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	2.4	0.1	0.0	0.0	0.0	4.6	0.2	0.0	0.0	0.1
\$ 5,000 to \$ 10,000	3.1	0.2	0.0	0.0	0.0	6.6	0.8	0.0	0.0	0.2
\$ 10,000 to \$ 15,000	3.6	0.4	0.1	0.1	0.1	7.5	1.6	0.3	0.3	0.4
\$ 15,000 to \$ 20,000	3.6	0.6	0.2	0.2	0.2	7.6	2.2	0.8	0.9	0.7
\$ 20,000 to \$ 25,000	3.7	0.8	0.4	0.4	0.2	7.4	2.8	1.4	1.5	1.1
\$ 25,000 to \$ 35,000	6.8	2.0	1.1	1.1	0.8	12.8	6.4	4.2	4.4	3.0
\$ 35,000 to \$ 50,000	10.0	4.1	2.8	2.9	1.9	14.4	10.2	8.0	8.3	5.8
\$ 50,000 to \$ 75,000	15.6	9.4	7.2	7.4	5.2	16.0	16.5	14.7	15.3	11.6
\$ 75,000 to \$ 100,000	14.5	12.2	10.6	10.8	7.5	9.7	14.1	14.2	14.7	11.4
\$ 100,000 to \$ 250,000	31.7	44.7	46.2	46.9	41.7	11.5	26.9	31.3	31.9	30.9
\$ 250,000 and over	5.0	25.6	31.5	30.2	42.3	1.7	18.2	25.1	22.8	34.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$212,517)	\$31	\$44	\$673	(\$90,020)	\$11	\$27	\$465
\$ 0 to \$ 5,000	2,478	16	15	129	2,628	4	4	115
\$ 5,000 to \$ 10,000	7,547	6	6	207	7,628	5	5	199
\$ 10,000 to \$ 15,000	12,565	79	81	418	12,522	71	70	381
\$ 15,000 to \$ 20,000	17,517	202	201	690	17,508	186	184	634
\$ 20,000 to \$ 25,000	22,470	333	331	997	22,463	318	315	986
\$ 25,000 to \$ 35,000	29,940	552	550	1,717	29,810	549	542	1,641
\$ 35,000 to \$ 50,000	42,388	942	935	2,847	42,002	936	918	2,808
\$ 50,000 to \$ 75,000	62,366	1,557	1,540	4,869	61,555	1,553	1,515	5,027
\$ 75,000 to \$ 100,000	87,207	2,461	2,432	7,658	86,365	2,467	2,394	8,131
\$ 100,000 to \$ 250,000	146,463	4,916	4,835	19,361	139,541	4,605	4,409	18,647
\$ 250,000 and over	530,267	21,191	19,673	124,267	648,530	25,377	21,597	144,000
Average	\$98,437	\$3,317	\$3,210	\$14,483	\$55,762	\$1,651	\$1,551	\$6,776

**Table 20. Number of Returns Claiming Colorado Modifications
2009 Individual Income Tax Returns**

A. Number of Returns

Type of Colorado Modification										
Adjusted Gross Income Classes	Additions		Subtractions							Total
	State Addback	Other Additions	State Refund	U.S. Govt Interest	Pension Exclusion	Colo Capital Gains	Tuition Invest- ment	Qualified Contri- butions	Other Sub- tractions	
Negative Income	7,014	2,390	3,436	1,493	4,517	48	152	504	219	13,727
\$ 0 to \$ 5,000	2,301	1,401	2,482	1,351	7,415	16	113	2,277	201	14,254
\$ 5,000 to \$ 10,000	3,932	1,812	3,982	1,856	13,324	13	162	3,934	322	23,201
\$ 10,000 to \$ 15,000	6,504	2,088	5,673	2,341	20,022	21	233	5,662	438	33,441
\$ 15,000 to \$ 20,000	9,695	1,969	8,009	2,328	20,044	29	272	6,292	517	36,981
\$ 20,000 to \$ 25,000	13,756	2,003	10,963	2,388	19,719	34	291	6,918	587	40,998
\$ 25,000 to \$ 35,000	41,974	4,014	31,081	4,492	36,564	76	719	14,676	1,052	92,152
\$ 35,000 to \$ 50,000	90,672	6,569	66,269	6,836	48,183	128	1,291	20,084	1,554	152,183
\$ 50,000 to \$ 75,000	161,705	11,188	117,586	11,159	69,325	295	2,992	26,076	2,646	231,711
\$ 75,000 to \$ 100,000	137,944	9,530	98,356	9,180	46,734	294	4,398	15,649	2,072	174,478
\$ 100,000 to \$ 250,000	239,981	23,169	167,604	17,452	61,516	738	15,043	12,344	3,225	266,862
\$ 250,000 and over	38,988	11,406	19,084	5,816	8,227	585	4,027	308	975	40,427
Total	754,466	77,539	534,525	66,692	355,589	2,277	29,693	114,723	13,808	1,120,415

B. Percentage Distribution by Income Class

Type of Colorado Modification										
Adjusted Gross Income Classes	Additions		Subtractions							
	State Addback	Other Additions	State Refund	U.S. Govt Interest	Pension Exclusion	Colo Capital Gains	Tuition Invest- ment	Qualified Contri- butions	Other Sub- tractions	
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.3	1.9	0.5	2.1	2.1	0.7	0.4	2.0	1.5	
\$ 5,000 to \$ 10,000	0.5	2.4	0.7	2.8	3.8	0.6	0.5	3.4	2.4	
\$ 10,000 to \$ 15,000	0.9	2.8	1.1	3.6	5.7	0.9	0.8	5.0	3.2	
\$ 15,000 to \$ 20,000	1.3	2.6	1.5	3.6	5.7	1.3	0.9	5.5	3.8	
\$ 20,000 to \$ 25,000	1.8	2.7	2.1	3.7	5.6	1.5	1.0	6.1	4.3	
\$ 25,000 to \$ 35,000	5.6	5.3	5.9	6.9	10.4	3.4	2.4	12.8	7.7	
\$ 35,000 to \$ 50,000	12.1	8.7	12.5	10.5	13.7	5.7	4.4	17.6	11.4	
\$ 50,000 to \$ 75,000	21.6	14.9	22.1	17.1	19.7	13.2	10.1	22.8	19.5	
\$ 75,000 to \$ 100,000	18.5	12.7	18.5	14.1	13.3	13.2	14.9	13.7	15.2	
\$ 100,000 to \$ 250,000	32.1	30.8	31.6	26.8	17.5	33.1	50.9	10.8	23.7	
\$ 250,000 and over	5.2	15.2	3.6	8.9	2.3	26.2	13.6	0.3	7.2	
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

C. Percentage Distribution of Returns Within Income Classes

Type of Colorado Modification										
Adjusted Gross Income Classes	Additions		Subtractions							Total
	State Addback	Other Additions	State Refund	U.S. Govt Interest	Pension Exclusion	Colo Capital Gains	Tuition Invest- ment	Qualified Contri- butions	Other Sub- tractions	
Negative Income	20.9	7.1	10.2	4.5	13.5	0.1	0.5	1.5	0.7	40.9
\$ 0 to \$ 5,000	2.8	1.7	3.0	1.6	9.0	0.0	0.1	2.8	0.2	17.3
\$ 5,000 to \$ 10,000	3.3	1.5	3.3	1.6	11.1	0.0	0.1	3.3	0.3	19.4
\$ 10,000 to \$ 15,000	4.7	1.5	4.1	1.7	14.4	0.0	0.2	4.1	0.3	24.0
\$ 15,000 to \$ 20,000	6.8	1.4	5.6	1.6	14.0	0.0	0.2	4.4	0.4	25.9
\$ 20,000 to \$ 25,000	9.9	1.4	7.9	1.7	14.1	0.0	0.2	5.0	0.4	29.4
\$ 25,000 to \$ 35,000	17.1	1.6	12.6	1.8	14.9	0.0	0.3	6.0	0.4	37.5
\$ 35,000 to \$ 50,000	32.5	2.4	23.8	2.5	17.3	0.0	0.5	7.2	0.6	54.6
\$ 50,000 to \$ 75,000	51.9	3.6	37.8	3.6	22.3	0.1	1.0	8.4	0.8	74.4
\$ 75,000 to \$ 100,000	69.0	4.8	49.2	4.6	23.4	0.1	2.2	7.8	1.0	87.3
\$ 100,000 to \$ 250,000	86.0	8.3	60.1	6.3	22.1	0.3	5.4	4.4	1.2	95.7
\$ 250,000 and over	95.3	27.9	46.7	14.2	20.1	1.4	9.8	0.8	2.4	98.8
Average	37.5	3.9	26.6	3.3	17.7	0.1	1.5	5.7	0.7	55.7

**Table 21. Amount of Colorado Modifications
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Type of Colorado Modification										
Adjusted Gross Income Classes	Additions		Subtractions							Total
	State	Other	State	U.S.	Pension	Colo	Tuition	Qualified	Other	
	Addback	Additions	Refund	Govt Interest	Exclusion	Capital Gains	Invest- ment	Contri- butions	Sub- tractions	
Negative Income	\$45,039	\$46,184	\$13,854	\$4,626	\$44,025	\$2,075	\$1,596	\$771	\$2,064	\$22,212
\$ 0 to \$ 5,000	8,342	4,452	2,126	764	27,699	334	488	1,974	739	(21,331)
\$ 5,000 to \$ 10,000	5,041	4,887	2,571	1,513	82,632	56	684	4,306	1,284	(83,119)
\$ 10,000 to \$ 15,000	6,888	6,025	3,532	2,802	186,355	199	830	6,743	2,507	(190,056)
\$ 15,000 to \$ 20,000	9,820	6,322	4,672	2,790	241,805	379	1,188	7,678	3,235	(245,605)
\$ 20,000 to \$ 25,000	14,760	6,366	6,279	3,103	277,860	581	1,281	8,853	4,610	(281,441)
\$ 25,000 to \$ 35,000	49,145	15,110	17,065	6,015	598,434	901	2,693	19,584	8,120	(588,558)
\$ 35,000 to \$ 50,000	137,226	26,350	37,804	10,654	915,998	1,884	4,162	29,301	14,963	(851,189)
\$ 50,000 to \$ 75,000	346,948	45,874	74,638	19,133	1,539,603	6,282	8,999	41,678	36,781	(1,334,291)
\$ 75,000 to \$ 100,000	410,206	42,222	69,809	16,761	1,155,481	8,385	15,723	26,421	30,071	(870,224)
\$ 100,000 to \$ 250,000	1,290,757	126,983	165,885	38,302	1,502,368	47,281	88,115	19,798	35,873	(479,883)
\$ 250,000 and over	1,034,645	230,176	124,925	57,621	185,744	242,080	70,829	636	25,370	557,615
Total	\$3,358,818	\$560,950	\$523,162	\$164,085	\$6,758,005	\$310,437	\$196,589	\$167,743	\$165,617	(\$4,365,870)

B. Percentage Distribution by Income Class

Type of Colorado Modification										
Adjusted Gross Income Classes	Additions		Subtractions							
	State Addback	Other Additions	State Refund	U.S. Govt Interest	Pension Exclusion	Colo Capital Gains	Tuition Invest- ment	Qualified Contri- butions	Other Sub- tractions	
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.3	0.9	0.4	0.5	0.4	0.1	0.3	1.2	0.5	
\$ 5,000 to \$ 10,000	0.2	0.9	0.5	0.9	1.2	0.0	0.4	2.6	0.8	
\$ 10,000 to \$ 15,000	0.2	1.2	0.7	1.8	2.8	0.1	0.4	4.0	1.5	
\$ 15,000 to \$ 20,000	0.3	1.2	0.9	1.7	3.6	0.1	0.6	4.6	2.0	
\$ 20,000 to \$ 25,000	0.4	1.2	1.2	1.9	4.1	0.2	0.7	5.3	2.8	
\$ 25,000 to \$ 35,000	1.5	2.9	3.4	3.8	8.9	0.3	1.4	11.7	5.0	
\$ 35,000 to \$ 50,000	4.1	5.1	7.4	6.7	13.6	0.6	2.1	17.5	9.1	
\$ 50,000 to \$ 75,000	10.5	8.9	14.7	12.0	22.9	2.0	4.6	25.0	22.5	
\$ 75,000 to \$ 100,000	12.4	8.2	13.7	10.5	17.2	2.7	8.1	15.8	18.4	
\$ 100,000 to \$ 250,000	39.0	24.7	32.6	24.0	22.4	15.3	45.2	11.9	21.9	
\$ 250,000 and over	31.2	44.7	24.5	36.1	2.8	78.5	36.3	0.4	15.5	
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

C. Average per Return

Type of Colorado Modification										
Adjusted Gross Income Classes	Additions		Subtractions							Total
	State Addback	Other Additions	State Refund	U.S. Govt Interest	Pension Exclusion	Colo Capital Gains	Tuition Invest- ment	Qualified Contri- butions	Other Sub- tractions	
Negative Income	\$6,421	\$19,324	\$4,032	\$3,099	\$9,747	\$43,225	\$10,499	\$1,530	\$9,425	\$1,618
\$ 0 to \$ 5,000	3,626	3,178	857	566	3,735	20,898	4,319	867	3,675	(1,496)
\$ 5,000 to \$ 10,000	1,282	2,697	646	815	6,202	4,337	4,225	1,094	3,988	(3,582)
\$ 10,000 to \$ 15,000	1,059	2,886	623	1,197	9,308	9,478	3,564	1,191	5,723	(5,683)
\$ 15,000 to \$ 20,000	1,013	3,211	583	1,199	12,064	13,059	4,368	1,220	6,257	(6,641)
\$ 20,000 to \$ 25,000	1,073	3,178	573	1,299	14,091	17,093	4,403	1,280	7,853	(6,865)
\$ 25,000 to \$ 35,000	1,171	3,764	549	1,339	16,367	11,852	3,746	1,334	7,719	(6,387)
\$ 35,000 to \$ 50,000	1,513	4,011	570	1,558	19,011	14,720	3,223	1,459	9,629	(5,593)
\$ 50,000 to \$ 75,000	2,146	4,100	635	1,715	22,208	21,294	3,008	1,598	13,901	(5,758)
\$ 75,000 to \$ 100,000	2,974	4,430	710	1,826	24,725	28,521	3,575	1,688	14,513	(4,988)
\$ 100,000 to \$ 250,000	5,379	5,481	990	2,195	24,422	64,066	5,858	1,604	11,123	(1,798)
\$ 250,000 and over	26,538	20,180	6,546	9,907	22,577	413,812	17,588	2,066	26,021	13,793
Average	\$4,452	\$7,234	\$979	\$2,460	\$19,005	\$136,336	\$6,621	\$1,462	\$11,994	(\$3,897)

**Table 22. Colorado Returns by Liability Status
2009 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Net Tax	Amount Owed	No. of Returns *	Federal AGI	Colorado Net Tax	Amount Refunded
Negative Income	171	(\$64,097)	\$318	\$262	33,364	(\$3,464,013)	\$368	\$20,218
\$ 0 to \$ 5,000	764	1,695	243	157	81,576	212,698	116	5,578
\$ 5,000 to \$ 10,000	1,865	16,130	274	188	117,666	895,899	272	17,680
\$ 10,000 to \$ 15,000	11,565	145,943	1,759	1,306	127,940	1,603,870	7,945	26,724
\$ 15,000 to \$ 20,000	14,937	262,768	4,614	2,826	128,068	2,239,799	21,508	33,045
\$ 20,000 to \$ 25,000	18,028	406,576	7,937	4,125	121,598	2,731,068	36,635	36,777
\$ 25,000 to \$ 35,000	39,225	1,176,241	26,069	10,664	206,606	6,159,703	111,041	72,056
\$ 35,000 to \$ 50,000	58,184	2,462,041	57,790	20,467	220,583	9,252,099	209,111	93,466
\$ 50,000 to \$ 75,000	79,579	4,934,048	127,020	37,080	231,742	14,242,422	362,753	124,752
\$ 75,000 to \$ 100,000	58,974	5,110,677	146,634	35,663	140,967	12,186,612	345,052	92,019
\$ 100,000 to \$ 250,000	85,546	12,193,948	407,457	93,123	193,379	27,340,151	888,769	186,502
\$ 250,000 and over	14,155	8,422,793	324,286	118,120	26,741	17,464,691	596,344	175,657
Total	382,993	\$35,068,763	\$1,104,400	\$323,981	1,630,231	\$90,865,000	\$2,579,913	\$884,475

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Net Tax	Amount Owed	No. of Returns	Federal AGI	Colorado Net Tax	Amount Refunded
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.2	0.0	0.0	0.0	5.1	0.2	0.0	0.6
\$ 5,000 to \$ 10,000	0.5	0.0	0.0	0.1	7.4	0.9	0.0	2.0
\$ 10,000 to \$ 15,000	3.0	0.4	0.2	0.4	8.0	1.7	0.3	3.1
\$ 15,000 to \$ 20,000	3.9	0.7	0.4	0.9	8.0	2.4	0.8	3.8
\$ 20,000 to \$ 25,000	4.7	1.2	0.7	1.3	7.6	2.9	1.4	4.3
\$ 25,000 to \$ 35,000	10.2	3.3	2.4	3.3	12.9	6.5	4.3	8.3
\$ 35,000 to \$ 50,000	15.2	7.0	5.2	6.3	13.8	9.8	8.1	10.8
\$ 50,000 to \$ 75,000	20.8	14.0	11.5	11.5	14.5	15.1	14.1	14.4
\$ 75,000 to \$ 100,000	15.4	14.5	13.3	11.0	8.8	12.9	13.4	10.6
\$ 100,000 to \$ 250,000	22.3	34.7	36.9	28.8	12.1	29.0	34.5	21.6
\$ 250,000 and over	3.7	24.0	29.4	36.5	1.7	18.5	23.1	20.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Net Tax	Amount Owed	Federal AGI	Colorado Net Tax	Amount Refunded
Negative Income	(\$374,836)	\$1,857	\$1,531	(\$103,825)	\$11	\$606
\$ 0 to \$ 5,000	2,219	318	205	2,607	1	68
\$ 5,000 to \$ 10,000	8,649	147	101	7,614	2	150
\$ 10,000 to \$ 15,000	12,619	152	113	12,536	62	209
\$ 15,000 to \$ 20,000	17,592	309	189	17,489	168	258
\$ 20,000 to \$ 25,000	22,552	440	229	22,460	301	302
\$ 25,000 to \$ 35,000	29,987	665	272	29,814	537	349
\$ 35,000 to \$ 50,000	42,315	993	352	41,944	948	424
\$ 50,000 to \$ 75,000	62,002	1,596	466	61,458	1,565	538
\$ 75,000 to \$ 100,000	86,660	2,486	605	86,450	2,448	653
\$ 100,000 to \$ 250,000	142,543	4,763	1,089	141,381	4,596	964
\$ 250,000 and over	595,040	22,910	8,345	653,105	22,301	6,569
Average	\$91,565	\$2,884	\$846	\$55,737	\$1,583	\$543

* Includes returns where no cash was owed or refund distributed.

**Table 23. Amount and Number of Colorado Tax Checkoff Donations
2009 Individual Income Tax Returns**

Adjusted Gross Income Classes	Non-game Wildlife			Domestic Abuse			Homeless Prevention			Special Olympics			Veterans Cemetery		
	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation
Negative Income	\$763	38	\$20	\$654	37	\$18	\$221	30	\$7	\$550	22	\$25	\$40	8	\$5
\$ 0 to \$ 5,000	986	195	5	1,046	170	6	1,153	187	6	740	124	6	175	53	3
\$ 5,000 to \$ 10,000	3,203	448	7	2,815	430	7	3,628	425	9	1,672	283	6	806	144	6
\$ 10,000 to \$ 15,000	4,102	564	7	3,678	528	7	3,660	504	7	2,100	381	6	937	205	5
\$ 15,000 to \$ 20,000	4,566	663	7	4,503	601	7	4,483	563	8	2,581	425	6	965	233	4
\$ 20,000 to \$ 25,000	5,520	716	8	4,705	664	7	4,421	618	7	2,590	469	6	1,216	256	5
\$ 25,000 to \$ 35,000	11,307	1,453	8	8,786	1,237	7	8,815	1,185	7	6,423	965	7	2,415	465	5
\$ 35,000 to \$ 50,000	18,854	2,156	9	16,156	1,951	8	14,858	1,740	9	12,371	1,483	8	4,011	749	5
\$ 50,000 to \$ 75,000	28,599	3,011	9	26,127	2,625	10	24,235	2,391	10	20,414	2,137	10	5,859	1,011	6
\$ 75,000 to \$ 100,000	26,769	2,148	12	22,972	1,882	12	20,883	1,668	13	17,567	1,569	11	5,739	717	8
\$ 100,000 to \$ 250,000	53,820	3,334	16	45,676	2,854	16	41,911	2,557	16	38,863	2,578	15	10,077	1,014	10
\$ 250,000 and over	7,017	258	27	5,208	235	22	5,276	199	27	7,776	230	34	1,560	83	19
Total	\$165,506	14,984	\$11	\$142,326	13,212	\$11	\$133,544	12,067	\$11	\$113,647	10,663	\$11	\$33,800	4,939	\$7

Adjusted Gross Income Classes	Pet Overpopulation Fund			CO Healthy Rivers Fund			Alzheimer's Association			Military Family Relief			Multiple Sclerosis		
	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation
Negative Income	\$364	38	\$10	\$258	23	\$11	\$555	26	\$21	\$492	32	\$15	\$258	14	\$19
\$ 0 to \$ 5,000	1,004	194	5	1,119	117	10	480	99	5	742	96	8	427	76	6
\$ 5,000 to \$ 10,000	2,371	399	6	1,737	318	5	1,408	241	6	2,243	284	8	1,220	190	6
\$ 10,000 to \$ 15,000	3,950	595	7	2,389	400	6	2,042	358	6	3,534	411	9	2,350	305	8
\$ 15,000 to \$ 20,000	5,179	658	8	2,568	452	6	2,604	410	6	4,050	464	9	1,970	321	6
\$ 20,000 to \$ 25,000	5,507	694	8	2,243	469	5	2,340	424	6	5,828	479	12	2,340	354	7
\$ 25,000 to \$ 35,000	11,719	1,444	8	5,455	948	6	6,824	886	8	9,981	1,038	10	3,996	681	6
\$ 35,000 to \$ 50,000	21,797	2,175	10	9,525	1,444	7	10,478	1,341	8	16,401	1,583	10	7,375	1,038	7
\$ 50,000 to \$ 75,000	31,894	2,849	11	16,014	1,959	8	17,848	1,852	10	31,179	2,321	13	15,203	1,487	10
\$ 75,000 to \$ 100,000	24,573	1,841	13	13,209	1,399	9	15,633	1,372	11	28,234	1,832	15	11,177	1,079	10
\$ 100,000 to \$ 250,000	42,372	2,646	16	30,442	2,152	14	30,174	2,018	15	63,576	2,968	21	21,257	1,601	13
\$ 250,000 and over	3,716	171	22	3,443	179	19	2,666	148	18	8,265	230	36	4,407	136	32
Total	\$154,446	13,703	\$11	\$88,401	9,860	\$9	\$93,052	9,177	\$10	\$174,525	11,738	\$15	\$71,981	7,281	\$10

Adjusted Gross Income Classes	Women's Cancers Fund			Adult Stem Cell Cure Fund			9Health Fair Fund			Make-A-Wish Fund			Total Donations		
	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation
Negative Income	\$287	32	\$9	\$159	19	\$8	\$59	15	\$4	\$614	25	\$24	\$5,273	359	\$15
\$ 0 to \$ 5,000	606	116	5	607	112	5	401	84	5	675	133	5	10,162	1,757	6
\$ 5,000 to \$ 10,000	1,950	306	6	1,105	248	4	850	184	5	2,086	341	6	27,094	4,242	6
\$ 10,000 to \$ 15,000	2,488	417	6	1,637	337	5	1,551	277	6	3,217	473	7	37,635	5,756	7
\$ 15,000 to \$ 20,000	3,317	500	7	2,107	375	6	1,930	311	6	3,376	509	7	44,198	6,485	7
\$ 20,000 to \$ 25,000	3,152	539	6	2,106	378	6	1,741	358	5	3,564	500	7	47,274	6,917	7
\$ 25,000 to \$ 35,000	6,821	1,025	7	3,331	754	5	3,556	647	5	7,788	1,008	8	97,818	13,736	7
\$ 35,000 to \$ 50,000	10,704	1,417	8	6,857	1,124	6	6,157	997	6	9,746	1,433	7	165,291	20,630	8
\$ 50,000 to \$ 75,000	16,614	1,961	8	11,905	1,539	8	9,344	1,334	7	16,646	1,969	8	271,880	28,446	10
\$ 75,000 to \$ 100,000	14,073	1,395	10	8,768	1,094	8	8,239	925	9	15,115	1,452	10	232,950	20,373	11
\$ 100,000 to \$ 250,000	28,095	2,138	13	16,718	1,609	10	14,849	1,372	11	29,919	2,276	13	467,750	31,118	15
\$ 250,000 and over	3,473	164	21	2,069	124	17	2,054	96	21	4,490	172	26	61,420	2,424	25
Total	\$91,579	10,010	\$9	\$57,970	7,713	\$8	\$50,733	6,599	\$8	\$97,236	10,292	\$9	\$1,468,746	142,241	\$10

**Table 24. Amount and Number of Income Tax Credits Claimed
2009 Individual Income Tax Returns**

Adjusted Gross Income Classes	All Other Credits			Child Care Credit		
	Amount	No. of Returns	Average Credit	Amount	No. of Returns	Average Credit
Negative Income	\$113,105	56	\$2,013	*	*	\$0
\$ 0 to \$ 5,000	10,707	30	354	1,735	7	236
\$ 5,000 to \$ 10,000	6,673	113	59	2,237	13	178
\$ 10,000 to \$ 15,000	72,056	1,021	71	18,212	167	109
\$ 15,000 to \$ 20,000	180,356	1,324	136	208,155	1,681	124
\$ 20,000 to \$ 25,000	299,034	1,548	193	785,171	3,569	220
\$ 25,000 to \$ 35,000	868,591	3,700	235	1,469,524	8,434	174
\$ 35,000 to \$ 50,000	2,400,460	8,240	291	538,302	10,361	52
\$ 50,000 to \$ 75,000	6,425,234	16,285	395	315,009	6,479	49
\$ 75,000 to \$ 100,000	8,115,481	15,083	538	713	6	115
\$ 100,000 to \$ 250,000	32,530,897	32,360	1,005	*	*	0
\$ 250,000 and over	117,463,571	13,497	8,703	0	0	0
Total	\$168,486,165	93,256	\$1,807	\$3,339,059	30,716	\$109
B. Percentage Distribution by Income Class						
Adjusted Gross Income Classes	All Other Credits		Child Care Credit			
	Amount	No. of Returns	Amount	No. of Returns		
Negative Income	0.1	0.1	-	-		
\$ 0 to \$ 5,000	0.0	0.0	0.1	0.0		
\$ 5,000 to \$ 10,000	0.0	0.1	0.1	0.0		
\$ 10,000 to \$ 15,000	0.0	1.1	0.5	0.5		
\$ 15,000 to \$ 20,000	0.1	1.4	6.2	5.5		
\$ 20,000 to \$ 25,000	0.2	1.7	23.5	11.6		
\$ 25,000 to \$ 35,000	0.5	4.0	44.0	27.5		
\$ 35,000 to \$ 50,000	1.4	8.8	16.1	33.7		
\$ 50,000 to \$ 75,000	3.8	17.5	9.4	21.1		
\$ 75,000 to \$ 100,000	4.8	16.2	0.0	0.0		
\$ 100,000 to \$ 250,000	19.3	34.7	-	-		
\$ 250,000 and over	69.7	14.5	-	-		
Total	100.0	100.0	100.0	100.0		

* Non-disclosable data was added to income category \$75,000 to \$100,000.

Statistics of Income **Corporate Income Tax,** **Income Tax Year 2009**

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**Table 1. Distribution of All Returns by Taxable Income Classes
2009 Corporate Income Tax Returns**

A. Dollar Amounts in Thousands

Colorado Taxable Income Classes	Number of Returns	Federal Taxable Income	Colorado Taxable Income	Colorado Gross Tax Liability	Colorado Net Tax Liability
Non Taxable Returns	35,014	(\$85,558,374)	(\$25,735,417)	\$0	\$0
Taxable Returns					
Under \$10,000	6,123	\$4,589,529	\$16,577	\$771	\$749
\$10,000 to \$25,000	1,827	2,393,600	30,369	1,400	1,346
\$25,000 to \$50,000	1,486	3,867,979	54,489	2,514	2,335
\$50,000 to \$100,000	1,216	4,081,746	85,107	3,926	3,698
\$100,000 to \$200,000	812	7,396,462	114,824	5,316	5,046
\$200,000 to \$500,000	728	27,633,383	231,186	10,687	10,282
\$500,000 to \$1,000,000	374	20,270,492	263,398	12,195	11,788
\$1,000,000 and over	711	283,212,773	5,354,609	247,136	234,906
Total Taxable	13,277	\$353,445,964	\$6,150,558	\$283,945	\$270,149
Grand Total	48,291	\$267,887,590	(\$19,584,859)	\$283,945	\$270,149

B. Percentage Distribution by Taxable Returns

Colorado Taxable Income Classes	Number of Returns	Federal Taxable Income	Colorado Taxable Income	Colorado Gross Tax Liability	Colorado Net Tax Liability
Under \$10,000	46.1	1.3	0.3	0.3	0.3
\$10,000 to \$25,000	13.8	0.7	0.5	0.5	0.5
\$25,000 to \$50,000	11.2	1.1	0.9	0.9	0.9
\$50,000 to \$100,000	9.2	1.2	1.4	1.4	1.4
\$100,000 to \$200,000	6.1	2.1	1.9	1.9	1.9
\$200,000 to \$500,000	5.5	7.8	3.8	3.8	3.8
\$500,000 to \$1,000,000	2.8	5.7	4.3	4.3	4.4
\$1,000,000 and over	5.4	80.1	87.1	87.0	87.0
Grand Total	100.0	100.0	100.0	100.0	100.0

**Table 2. Distribution of Intrastate Returns by Taxable Income Classes
2009 Corporate Income Tax Returns**

A. Dollar Amounts in Thousands

Colorado Taxable Income Classes	Number of Returns	Federal Taxable Income	Colorado Taxable Income	Colorado Gross Tax Liability	Colorado Net Tax Liability
Non Taxable Returns	22,505	(\$3,147,455)	(\$3,374,522)	\$0	\$0
Taxable Returns					
Under \$10,000	3,961	(\$204)	\$10,528	\$487	\$468
\$10,000 to \$25,000	1,133	22,547	18,702	866	821
\$25,000 to \$50,000	903	31,318	33,231	1,539	1,388
\$50,000 to \$100,000	698	45,903	47,856	2,216	2,030
\$100,000 to \$200,000	320	41,465	43,988	2,037	1,827
\$200,000 to \$500,000	186	38,881	58,267	2,698	2,548
\$500,000 to \$1,000,000	62	48,831	43,474	2,013	1,841
\$1,000,000 and over	74	215,713	214,748	9,943	9,357
Total Taxable	7,337	\$444,455	\$470,794	\$21,797	\$20,278
Grand Total	29,842	(\$2,703,001)	(\$2,903,728)	\$21,797	\$20,278

B. Percentage Distribution by Taxable Returns

Colorado Taxable Income Classes	Number of Returns	Federal Taxable Income	Colorado Taxable Income	Colorado Gross Tax Liability	Colorado Net Tax Liability
Under \$10,000	54.0	(0.0)	2.2	2.2	2.3
\$10,000 to \$25,000	15.4	5.1	4.0	4.0	4.0
\$25,000 to \$50,000	12.3	7.0	7.1	7.1	6.8
\$50,000 to \$100,000	9.5	10.3	10.2	10.2	10.0
\$100,000 to \$200,000	4.4	9.3	9.3	9.3	9.0
\$200,000 to \$500,000	2.5	8.7	12.4	12.4	12.6
\$500,000 to \$1,000,000	0.8	11.0	9.2	9.2	9.1
\$1,000,000 and over	1.0	48.5	45.6	45.6	46.1
Grand Total	100.0	100.0	100.0	100.0	100.0

**Table 3. Distribution of Interstate Returns by Taxable Income Classes
2009 Corporate Income Tax Returns**

A. Dollar Amounts in Thousands

Colorado Taxable Income Classes	Number of Returns	Federal Taxable Income	Colorado Taxable Income	Colorado Gross Tax Liability	Colorado Net Tax Liability
Non Taxable Returns	12,509	(\$82,410,918)	(\$22,360,895)	\$0	\$0
Taxable Returns					
Under \$10,000	2,162	\$4,589,732	\$6,049	\$284	\$281
\$10,000 to \$25,000	694	2,371,053	11,667	534	525
\$25,000 to \$50,000	583	3,836,661	21,258	975	947
\$50,000 to \$100,000	518	4,035,842	37,251	1,710	1,669
\$100,000 to \$200,000	492	7,354,998	70,836	3,280	3,219
\$200,000 to \$500,000	542	27,594,502	172,919	7,989	7,734
\$500,000 to \$1,000,000	312	20,221,661	219,924	10,182	9,947
\$1,000,000 and over	637	282,997,060	5,139,861	237,193	225,548
Total Taxable	5,940	\$353,001,509	\$5,679,764	\$262,147	\$249,871
Grand Total	18,449	\$270,590,591	(\$16,681,131)	\$262,147	\$249,871

B. Percentage Distribution by Taxable Returns

Colorado Taxable Income Classes	Number of Returns	Federal Taxable Income	Colorado Taxable Income	Colorado Gross Tax Liability	Colorado Net Tax Liability
Under \$10,000	36.4	1.3	0.1	0.1	0.1
\$10,000 to \$25,000	11.7	0.7	0.2	0.2	0.2
\$25,000 to \$50,000	9.8	1.1	0.4	0.4	0.4
\$50,000 to \$100,000	8.7	1.1	0.7	0.7	0.7
\$100,000 to \$200,000	8.3	2.1	1.2	1.3	1.3
\$200,000 to \$500,000	9.1	7.8	3.0	3.0	3.1
\$500,000 to \$1,000,000	5.3	5.7	3.9	3.9	4.0
\$1,000,000 and over	10.7	80.2	90.5	90.5	90.3
Grand Total	100.0	100.0	100.0	100.0	100.0

**Table 4. Number of Returns by Type of Credit
2009 Corporate Income Tax Returns**

A. Number of Returns

Colorado Taxable Income Classes	New Investment	Ent. Zone Investment	Ent. Zone Employee	Ent. Zone Contribution	Ent. Zone Other 1/	Other Credits 2/	Total
Under \$10,000	179	54	13	30	17	10	267
\$10,000 to \$25,000	76	41	6	8	6	4	107
\$25,000 to \$50,000	103	87	4	19	3	14	157
\$50,000 to \$100,000	100	67	6	27	3	18	157
\$100,000 to \$200,000	61	40	4	19	8	10	88
\$200,000 to \$500,000	62	37	8	14	8	7	86
\$500,000 to \$1,000,000	37	23	7	11	4	5	52
\$1,000,000 and over	134	102	40	42	30	24	189
Total	752	451	88	170	79	92	1103

B. Percentage Distribution by Income Class

Colorado Taxable Income Classes	New Investment	Ent. Zone Investment	Ent. Zone Employee	Ent. Zone Contribution	Ent. Zone Other 1/	Other Credits 2/	Total
Under \$10,000	23.8	12.0	14.8	17.6	21.5	10.9	24.2
\$10,000 to \$25,000	10.1	9.1	6.8	4.7	7.6	4.3	9.7
\$25,000 to \$50,000	13.7	19.3	4.5	11.2	3.8	15.2	14.2
\$50,000 to \$100,000	13.3	14.9	6.8	15.9	3.8	19.6	14.2
\$100,000 to \$200,000	8.1	8.9	4.5	11.2	10.1	10.9	8.0
\$200,000 to \$500,000	8.2	8.2	9.1	8.2	10.1	7.6	7.8
\$500,000 to \$1,000,000	4.9	5.1	8.0	6.5	5.1	5.4	4.7
\$1,000,000 and over	17.8	22.6	45.5	24.7	38.0	26.1	17.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Percentage Distribution of Credits Within Income Classes

Colorado Taxable Income Classes	New Investment	Ent. Zone Investment	Ent. Zone Employee	Ent. Zone Contribution	Ent. Zone Other 1/	Other Credits 2/	Total
Under \$10,000	59.1	17.8	4.3	9.9	5.6	3.3	100.0
\$10,000 to \$25,000	53.9	29.1	4.3	5.7	4.3	2.8	100.0
\$25,000 to \$50,000	44.8	37.8	1.7	8.3	1.3	6.1	100.0
\$50,000 to \$100,000	45.2	30.3	2.7	12.2	1.4	8.1	100.0
\$100,000 to \$200,000	43.0	28.2	2.8	13.4	5.6	7.0	100.0
\$200,000 to \$500,000	45.6	27.2	5.9	10.3	5.9	5.1	100.0
\$500,000 to \$1,000,000	42.5	26.4	8.0	12.6	4.6	5.7	100.0
\$1,000,000 and over	36.0	27.4	10.8	11.3	8.1	6.5	100.0
Total	46.1	27.6	5.4	10.4	4.8	5.6	100.0

1/ Includes enterprise zone vacant commercial building rehabilitation credit, enterprise zone research and experimental credit, enterprise zone job training credit, and rural technology enterprise zone credit.

2/ Includes credits for: alternative fuel vehicle, alternative fuel refueling facilities, gross conservation easement, old investment tax, crop and livestock contribution, historic property preservation, child care contribution, child care center - family care home investment, employer child care facility investment, school-to-career investment, Colorado works program, contaminated land redevelopment, low-income housing, and aircraft manufacturer new employee.

**Table 5. Type and Amount of Income Tax Credits Claimed
2009 Corporate Income Tax Returns**

A. Dollar Amounts in Thousands

Colorado Taxable Income Classes	New Investment	Ent. Zone Investment	Ent. Zone Employee	Ent. Zone Contribution	Ent. Zone Other 1/	Other Credits 2/	Total
Under \$10,000	\$72	\$122	\$98	\$9	\$48	\$1	\$350
\$10,000 to \$25,000	25	18	4	3	3	3	56
\$25,000 to \$50,000	51	90	6	11	1	19	179
\$50,000 to \$100,000	61	112	11	17	5	22	229
\$100,000 to \$200,000	44	134	15	21	24	32	271
\$200,000 to \$500,000	46	210	35	51	31	32	405
\$500,000 to \$1,000,000	31	178	30	22	53	94	407
\$1,000,000 and over	124	7,849	1,206	283	529	2,240	12,230
Total	\$454	\$8,713	\$1,406	\$417	\$694	\$2,443	\$14,126

B. Percentage Distribution by Income Class

Colorado Taxable Income Classes	New Investment	Ent. Zone Investment	Ent. Zone Employee	Ent. Zone Contribution	Ent. Zone Other 1/	Other Credits 2/	Total
Under \$10,000	15.8	1.4	7.0	2.1	7.0	0.0	2.5
\$10,000 to \$25,000	5.6	0.2	0.3	0.7	0.4	0.1	0.4
\$25,000 to \$50,000	11.3	1.0	0.5	2.7	0.2	0.8	1.3
\$50,000 to \$100,000	13.3	1.3	0.8	4.1	0.7	0.9	1.6
\$100,000 to \$200,000	9.8	1.5	1.1	5.1	3.4	1.3	1.9
\$200,000 to \$500,000	10.1	2.4	2.5	12.3	4.5	1.3	2.9
\$500,000 to \$1,000,000	6.8	2.0	2.1	5.2	7.6	3.9	2.9
\$1,000,000 and over	27.4	90.1	85.8	67.8	76.2	91.7	86.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average Per Return

Colorado Taxable Income Classes	New Investment	Ent. Zone Investment	Ent. Zone Employee	Ent. Zone Contribution	Ent. Zone Other 1/	Other Credits 2/	Total
Under \$10,000	\$400	\$2,262	\$7,554	\$291	\$2,843	\$97	\$1,311
\$10,000 to \$25,000	334	432	690	381	435	670	520
\$25,000 to \$50,000	496	1,034	1,610	587	403	1,376	1,141
\$50,000 to \$100,000	605	1,678	1,877	632	1,667	1,240	1,456
\$100,000 to \$200,000	727	3,340	3,863	1,116	2,958	3,239	3,076
\$200,000 to \$500,000	741	5,671	4,323	3,666	3,910	4,541	4,707
\$500,000 to \$1,000,000	830	7,729	4,273	1,965	13,263	18,856	7,833
\$1,000,000 and over	927	76,952	30,139	6,739	17,621	93,323	64,711
Total	\$604	\$19,318	\$15,972	\$2,454	\$8,782	\$26,559	\$12,807

1/ Includes enterprise zone vacant commercial building rehabilitation credit, enterprise zone research and experimental credit, enterprise zone job training credit, and rural technology enterprise zone credit.

2/ Includes credits for: alternative fuel vehicle, alternative fuel refueling facilities, gross conservation easement, old investment tax, crop and livestock contribution, historic property preservation, child care contribution, child care center - family care home investment, employer child care facility investment, school-to-career investment, Colorado works program, contaminated land redevelopment, low-income housing, and aircraft manufacturer new employee.

**Table 6. Number of Returns by Type of Deductions
2009 Corporate Income Tax Returns**

A. Number of Returns

Colorado Taxable Income Classes	Federal Interest	Foreign Source Income	CO. Source Capital Gain	Net Oper. Loss	Other Subtractions	Total
Under \$10,000	697	418	16	8,882	1,487	10,544
\$10,000 to \$25,000	ND	20	ND	295	83	422
\$25,000 to \$50,000	33	28	0	221	107	346
\$50,000 to \$100,000	34	24	3	178	99	294
\$100,000 to \$200,000	31	28	0	112	99	218
\$200,000 to \$500,000	43	62	0	106	142	254
\$500,000 to \$1,000,000	35	47	0	45	101	154
\$1,000,000 and over	ND	196	ND	113	336	456
Total	1,043	823	23	9,952	2,454	12,688

B. Percentage Distribution by Income Class

Colorado Taxable Income Classes	Federal Interest	Foreign Source Income	CO. Source Capital Gain	Net Oper. Loss	Other Subtractions	Total
Under \$10,000	66.8	50.8	69.6	89.2	60.6	83.1
\$10,000 to \$25,000	ND	2.4	ND	3.0	3.4	3.3
\$25,000 to \$50,000	3.2	3.4	0.0	2.2	4.4	2.7
\$50,000 to \$100,000	3.3	2.9	13.0	1.8	4.0	2.3
\$100,000 to \$200,000	3.0	3.4	0.0	1.1	4.0	1.7
\$200,000 to \$500,000	4.1	7.5	0.0	1.1	5.8	2.0
\$500,000 to \$1,000,000	3.4	5.7	0.0	0.5	4.1	1.2
\$1,000,000 and over	ND	23.8	ND	1.1	13.7	3.6
Total	100.0	100.0	100.0	100.0	100.0	100.0

C. Percentage Distribution of Credits Within Income Classes

Colorado Taxable Income Classes	Federal Interest	Foreign Source Income	CO. Source Capital Gain	Net Oper. Loss	Other Subtractions	Total
Under \$10,000	6.1	3.6	0.1	77.2	12.9	100.0
\$10,000 to \$25,000	ND	5.0	ND	74.1	20.9	100.0
\$25,000 to \$50,000	8.5	7.2	0.0	56.8	27.5	100.0
\$50,000 to \$100,000	10.1	7.1	0.9	52.7	29.3	100.0
\$100,000 to \$200,000	11.5	10.4	0.0	41.5	36.7	100.0
\$200,000 to \$500,000	12.2	17.6	0.0	30.0	40.2	100.0
\$500,000 to \$1,000,000	15.4	20.6	0.0	19.7	44.3	100.0
\$1,000,000 and over	ND	30.4	ND	17.5	52.1	100.0
Total	7.3	5.8	0.2	69.6	17.2	100.0

ND - Not disclosable

**Table 7. Deductions by Taxable Income Classes
2009 Corporate Income Tax Returns**

A. Dollar Amounts in Thousands

Colorado Taxable Income Classes	Federal Interest	Foreign Source Income	CO. Source Capital Gain	Net Oper. Loss	Other Subtractions	Total
Under \$10,000	\$2,925,927	\$47,827,737	\$3,762	\$10,289,011	\$30,985,977	\$92,032,415
\$10,000 to \$25,000	ND	182,100	ND	17,347	2,266,576	2,473,892
\$25,000 to \$50,000	2,137	80,831	0	10,397	68,915	162,279
\$50,000 to \$100,000	15,932	123,793	21	12,808	58,446	210,999
\$100,000 to \$200,000	6,160	177,762	0	15,513	130,073	329,508
\$200,000 to \$500,000	23,056	4,442,292	0	31,983	2,146,691	6,644,021
\$500,000 to \$1,000,000	97,489	1,134,977	0	25,140	894,467	2,152,072
\$1,000,000 and over	ND	30,653,453	ND	280,587	13,888,210	50,652,231
Total	\$8,908,191	\$84,622,944	\$4,142	\$10,682,786	\$50,439,355	\$154,657,418

B. Percentage Distribution by Income Class

Colorado Taxable Income Classes	Federal Interest	Foreign Source Income	CO. Source Capital Gain	Net Oper. Loss	Other Subtractions	Total
Under \$10,000	32.8	56.5	90.8	96.3	61.4	59.5
\$10,000 to \$25,000	ND	0.2	ND	0.2	4.5	1.6
\$25,000 to \$50,000	0.0	0.1	-	0.1	0.1	0.1
\$50,000 to \$100,000	0.2	0.1	0.5	0.1	0.1	0.1
\$100,000 to \$200,000	0.1	0.2	-	0.1	0.3	0.2
\$200,000 to \$500,000	0.3	5.2	-	0.3	4.3	4.3
\$500,000 to \$1,000,000	1.1	1.3	-	0.2	1.8	1.4
\$1,000,000 and over	ND	36.2	ND	2.6	27.5	32.8
Total	100.0	100.0	100.0	100.0	100.0	100.0

C. Average Per Return

Colorado Taxable Income Classes	Federal Interest	Foreign Source Income	CO. Source Capital Gain	Net Oper. Loss	Other Subtractions	Total
Under \$10,000	\$4,197,887	\$114,420,423	\$235,125	\$1,158,412	\$20,837,913	\$8,728,416
\$10,000 to \$25,000	ND	9,105,000	ND	58,803	27,308,145	5,862,303
\$25,000 to \$50,000	64,758	2,886,821	0	47,045	644,065	469,014
\$50,000 to \$100,000	468,588	5,158,042	7,000	71,955	590,364	717,684
\$100,000 to \$200,000	198,710	6,348,643	0	138,509	1,313,869	1,511,505
\$200,000 to \$500,000	536,186	71,649,871	0	301,726	15,117,542	26,157,563
\$500,000 to \$1,000,000	2,785,400	24,148,447	0	558,667	8,856,109	13,974,494
\$1,000,000 and over	ND	156,395,168	ND	2,483,071	41,333,958	111,079,454
Total	\$8,540,931	\$102,822,532	\$180,087	\$1,073,431	\$20,553,934	\$12,189,267

ND - Not disclosable

The amount of deductions shown in this table may include deduction amounts greater than the taxpayer's positive taxable income.

